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Details of New CIS Cooperation Minister Valeriy Serov

LD1602161495 Moscow INTERFAX in English 1421 GMT 16 Feb 95

[FBIS Transcribed Text] MOSCOW, Feb 16 (Interfax)—On Thursday [16 February] Russian President Yeltsin signed a decree appointing 55-year-old Valeriy Serov, previously head of the International Union of Builders, as Minister for Cooperation with CIS Countries.

The post had remained vacant for several months since the National Committee for Cooperation with CIS Countries had been turned into a federal ministry. The former chairman of the committee Vladimir Maschits served as acting minister.

Interfax learned from reliable sources that before the middle 1980's Valeriy Serov was the deputy chairman of the Soviet Planning Committee on Construction. Later he led the Soviet committee for construction. Subsequently he served as deputy premier in the government of Nikolay Ryzhkov.

In an interview with Interfax, Russia's envoy to the Interstate Economic Committee at the rank of minister, Aleksandr Smirnov, assessed the new appointment positively. According to him, Serov "has an excellent knowledge of economics and the resources of former Soviet republics," since he used to be in charge of all capital construction in the former USSR.

Nuclear Stations in Ex-Soviet States Still Linked to Russia

LD1602151395 Moscow ITAR-TASS in English 1338 GMT 16 Feb 95

[By ITAR-TASS special correspondent Veronika Romanenkova]

[FBIS Transcribed Text] Desnogorsk, Smolensk Region February 16 TASS—Nuclear stations of Soviet design in ex-USSR republics continue to work in close contact with Russia. Fuel and equipment are bought from Russia. Having a right of choice, they turn to western suppliers from time to time, if fuel and equipment is offered at lower prices. This was stated at a conference that opened at the Smolensk nuclear power station on Thursday. The conference is devoted to the experience of the maintenance of nuclear power stations in conditions of the market economy.

For instance, the Ingnalina nuclear power station (Lithuania) purchases some equipment in the West, and the station's modernisation carried out now is financed by the European Bank for Reconstruction and Development, Viktor Shevaldin, director of the Ignalina nuclear power station, told ITAR-TASS.

The Chernobyl and Khmelnitsk nuclear power stations in Ukraine are more inclined to maintain of relations with Russia. "We have not the slightest idea of stopping cooperation with Russia", said director of the Khmelnitsk nuclear power plant Viktor Sapronov. He said stations that now became foreign to Russia had been created by Russian designers, and that far from all Western technologies were compatible.

Nuclear power stations of the Soviet pattern in independent states meet with the same problems as those in Russia: the shortage of funds, non-payment, problems of storing spent nuclear fuel. However, financial problems in ex-USSR republics are more acute. Russia sells fuel and equipment to nuclear power station in former Union republics at double the price for Russian stations, said Vladimir Pronnikov, director of the Zaporozhye nuclear power station, the Ukraine.

Each station decides the problem of storing spent nuclear fuel on its own. Fuel batteries are so far kept at the Chernobyl and Ignalina stations. A new storage will be built in Chernobyl in five years, said director Sergey Parashin. The Ignalina station bought from Germany containers for dry storage of spent fuel. A system from the United States for temporary storage of spent fuel batteries will be installed at the Zaporozhye nuclear power station in 1996. The Khmelnitsk nuclear power station will be shipping spent fuel to Russia, and it will be reprocessed at a complex in Krasnoyarsk-26. All these are temporary measures. The question of storage and reprocessing of waste has not yet been finally solved.

ITAR-TASS Carries Press Review for 17 Feb

LD1702061595 Moscow ITAR-TASS in English 0600 GMT 17 Feb 95

["Press Review"—ITAR-TASS headline]

[FBIS Transcribed Text] Moscow February 17 TASS—Russian President Boris Yeltsin's annual message which he presented to the Federal Assembly (parliament) on Thursday is the principal topic in today's Moscow-based newspapers which run excerpts from it.

IZVESTIYA points out that the main subject of the message "is determined by its title 'About the Efficacy of State Power in Russia'.

"The message is imbued with the conviction that the country is on threshold of an economic upsurge and that 1995 may become a period of a decisive turning-point."

KOMSOMOLSKAYA PRAVDA's commentator, summarising the basic provisions of the presidential message, arrives at a conclusion that the president keeps loyal to his "old conceptions" and to his team and is not inclined "to surround himself with other people who would impose quite opposite view upon him".

TRUD points out the president's preparedness "to cooperate with all branches of power". The newspaper summarises in detail the presidential message's main provisions concerning the situation in the country, home and foreign policies of the Russian Federation.

NEZAVISIMAYA GAZETA, quoting "the most principled theses" of the message, points out that "Boris Yeltsin so strongly and with good reason criticised the mechanism of state power in Russia that one may gather the impression that he himself has nothing to do with it".

In the opinion of a news analyst of PRAVDA, which published "words of praise for the presidential speechwriters, who prepared the president's address to the deputies of the Federal Assembly," Boris Yeltsin in his message indirectly acknowledged "the non- viability of the present-day power".

KRASNAYA ZVEZDA (Red Star) touches upon the military aspects of the presidential message, giving particular attention to issues concerning the reorganisation of Russia's Armed Forces and their cooperation with other key agencies under conditions of conflicts similar to the chechen one.

TRUD continues to comment on the results of the CIS summit in Almaty.

Georgian leader Eduard Shevardnadze, in an interview with the newspaper, described the striving to fight 'aggressive separatism' against the background of the events in Chechnya as "the most tangible achievement" (of the CIS summit—note by ITAR-TASS).

Shevardnadze believes that "Abkhazia and Chechnya are links in the same chain". This point of view is also shared by Georgian Foreign Minister Aleksandre Chikvaidze interviewed by TRUD.

KOMSOMOLSAKYA PRAVDA carries an interview with Colonel-General Boris Gromov, who has been appointed the head of the military experts' group in the Russian Foreign Ministry. He will be in charge of coordinating military-politicial and military-technical cooperation with CIS countries".

The general's conviction is that "all CIS states will soon come to realise that there is no alternative to our military integration".

Newspapers continue to run reports by their correspondents in Chechnya, chronology of events, commentaries and forecasts about possible development of events in the conflict zone.

KRASNAYA ZVEZDA turns to the problems of Russia's central nuclear test site on Novaya Zemlya.

Viktor Yarygin, chief of the facility, in an interview with the newspaper, among other problems, singles out "the lack of a status" of Russia's only test site.

Describing the tasks of the test site, Yarygin pointed out the need "to maintain the existing nuclear weapons in combat readiness". He does not rule it out that the test site may accomplish peaceful tasks as well.

Kozyrev: Yeltsin Address Shows Him 'Tuned Into Reforms'

LD1602172595 Moscow NTV in Russian 1600 GMT 16 Feb 95

[Video report by correspondent Aleksandr Zinenko with recorded remarks by Foreign Minister Andrey Kozyrev]

[FBIS Translated Text] [Zinenko] Andrey Kozyrev met today with well-known Western peace makers Lord Owen and Thorvald Stoltenberg. Yesterday they returned from Belgrade. The Russian foreign minister will go there over the weekend. He will discuss with President Milosevic an international conference with the participation of Serbia, Bosnia, and Croatia. However, at his meeting with journalists Kozyrev mostly spoke about the the situation in Russia and today's address by Boris Yeltsin.

[Kozyrev] This address is a signal of the fact that the president is tuned into reforms in the post-Chechen period, rather than into curtailing them. This is I think the most important thing which our foreign partners, as well as hopefully the Russian public, were hoping to hear, and this is what they heard.

[Zinenko] Talking about criticism by the West of the Chechen events, Andrey Kozyrev said:

[Kozyrev] It is very unlikely that anyone will be able to add to this criticism more realistic or stronger colors than those used by the president in his address today.

[Zinenko] Andrey Kozyrev said Yeltsin has proved today, yet again, that he hears criticisms of both the Russian and international public. The minister, for his part, demonstrated once more his loyalty to the president and urged democrats again to rally around Yeltsin, whom he described as a guarantor and leader of democratic reforms.

Kozyrev: Serbia's Milosevic 'Central Figure' Favoring Peace

LD1602171695 Moscow INTERFAX in English 1624 GMT 16 Feb 95

[From the "Diplomatic Panorama" feature: Reports by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov and others]

[FBIS Transcribed Text] MOSCOW, Feb 16 (Interfax)—Russian Foreign Minister Andrey Kozyrev believes that Serbian President Slobodan Milosevic with whom he plans to meet in Belgrade during the upcoming week-end "is the central figure who is in favor of a peace settlement."

On Thursday in Moscow, after his meeting with co-chairmen of the international conference on former Yugoslavia Lord Owen and Thornvald Stoltenberg Kozyrev underlined that such assessment of Milosevic's role "is clear to everybody now."

Kozyrev expressed hope that his upcoming talks with Miloshevic "will be fruitful."

According to Kozyrev, in the course of his meeting with Owen and Stoltenberg the parties considered "possibilities for further advances in the settling the situation in Bosnia and former Yugoslavia in the light of new proposals set forth by Russia, France, and the United States."

Kozyrev indicated that these initiatives are "not an alternative, they support the peace plan of the international contact group on Bosnia."

Chernomyrdin To Visit Poland 17-18 Feb

LD1602152095 Moscow ITAR-TASS in English 1356 GMT 16 Feb 95

[By ITAR-TASS correspondents Vladimir Suprun and Vladimir Taranov]

[FBIS Transcribed Text] Moscow February 16 TASS—Russian Prime Minister Viktor Chernomyrdin will pay an official visit to Poland on February 17-18, spokesman for the Russian Foreign Ministry Grigoriy Karasin said today at a briefing, held at the Foreign Ministry's press centre.

A large package of agreements is expected to be signed during the visit. Specifically, a solution to the problem of mutual debts, which is a difficult one, was found at last, Karasin said.

The forthcoming visit of the Russian prime minister to Poland is sure to mark the beginning of an important stage in the development of Russian-Polish relations both in the political, trade and economic spheres, Karasin believes.

Results of Chernomyrdin Visit to Slovakia Summed Up

MM1602155995 Moscow ROSSIYSKAYA GAZETA in Russian 16 Feb 95 First Edition pp 1,6

[Report by Vladimir Silkin: "Pattern Created in Bratislava. Postscript to Chernomyrdin's Visit to Slovak Republic"]

[FBIS Translated Text] Bratislava—V.S. Chernomyrdin's visit to the Slovak Republic has come to an end. A great deal was expected of it, but the reality exceeded the expectations. A pattern for new interstate relations following the radical changes in East Europe was created during the visit.

What happened in Bratislava? The talks between government heads V.S. Chernomyrdin and V. Meciar were undoubtedly the main event. They resulted in the signing of a whole package of 12 documents, including six intergovernmental agreements. In the light of these documents and those signed in previous years, the treaty-legal base regulating Russian-Slovak relations has mainly been formed. This base today comprises over 50 treaties and agreements. The main emphasis is still laid on economic cooperation. Commodity turnover between our countries exceeds $2 billion. Some 70 percent of Russian natural gas will be exported to West Europe via Slovakia.

Our ties in the sphere of nuclear power generation will also be preserved and broadened. Russia is ready to grant $150 million in credit for this cooperation.

These quantitative indicators are of course bound to cause delight but there is another important point—namely that preconditions have been created to overcome the crisis that arose in relations between the East European countries after the breakup of CEMA. Schematically this situation looks as follows: The old mechanisms and ties have been destroyed, commodity turnover has been reduced, and a large number of deals are being carried out on a barter basis.

New elements are now emerging in relations between Russia and Slovakia—traditional interstate cooperation will be considerably supplemented by the broadening of ties between oblasts, regions, and individual enterprises. The first projects and programs for this kind of cooperation have already been prepared and are starting to be implemented; they will increase in number and receive state support.

A specific agreement was reached in Bratislava to jointly create the RD-35 aircraft engine for the Yak-130 trainer and a departmental agreement was signed on radial tire production, in which the Slovak firm "Matador" and the "Omskshina" Joint-Stock Association will take part. The market will be supplied with an additional 4 million tires as a result of this cooperation.

An accord was reached on paying off Russia's debts. They will be partially paid off by shipments of military equipment and partially in natural gas. A statement was made "regarding the capitalization [kapitalizatsiya] of the Russian debt." This means that Slovak firms and entrepreneurs will be able to take part in the flotation of certain Russian enterprises.

The first Russian-Slovak bank has been founded and will fund Russian and Slovak entrepreneurs. Thus conditions have been created for free movement of manpower resources and capital. The question of creating a free economic zone between our countries is currently being studied. If it is successful (both premiers consider that result quite likely) free movement of commodities will begin.

As one Slovak entrepreneur said, our countries are not only keeping a close eye on the processes under way in West Europe but are also taking steps to put positive experience to practical use—with an eye to existing potential, of course.

A joint Russian-Slovak commission has been set up to ensure that these accords do not just remain on paper. It is led by Vice Premier Yu. Yarov on our side

Those are the economic results. Journalists were very interested in how the heads of government view international security problems. Even though these questions were not central, they were discussed during the talks. We will continue our military cooperation. Russia and Slovakia advocate creating a European security system which takes into consideration the interests of all interested states. Having broached the question of NATO's movement eastward, V.S. Chernomyrdin stressed that this matter must not be hurried and that at the present stage the Partnership for Peace program is quite sufficient for cooperation between the East Europeans and NATO.

Summing up the results of the visit and the talks, V. Meciar said that a new type of interstate relations has been created in East Europe. In V.S. Chernomyrdin's opinion, "...tremendous work has been accomplished. A firm foundation has been laid for further cooperation on a new market basis. The signed documents give us an opportunity to work in a more fruitful manner and on a broader range of issues.

"The main point now is to implement these agreements."

Rumors of Arms Supplies To Peru, Ecuador 'Groundless'

LD1602170995 Moscow INTERFAX in English 1552 GMT 16 Feb 95

[From the "Diplomatic Panorama" feature: by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] MOSCOW, Feb 16 (Interfax) - The rumors that Russia supplies Peru and Ecuador with arms are absolutely groundless, a section chief of the Russian Foreign Ministry Valeriy Morozov said in a Thursday [16 February] interview with Interfax.

He said Moscow firmly follows the principle of not delivering arms to countries in a state of an armed conflict.

Morozov said that arms sales to Peru stopped several years ago because the South American country failed to pay its debts to Russia. "After switching to a market economy we have not been selling for credit", the diplomat said.

"As for Ecuador, unlike Peru it was never been a big user of Russian weapons," Morozov stressed adding that the local army relies mostly on Western weaponry.

According to the diplomat, as soon as reports appeared about alleged Russian arms supplies to the sides to the Peruvian- Ecuadorean conflict the Russian Foreign Ministry immediately turned to the Defence Ministry and the arms exporter Rosvooruzheniye for explanations. "They confirmed that Russia is not selling any arms to Peru or Ecuador," Morozov said.

He added that the Central and South American section of his ministry held a meeting Wednesday with U.S. Embassy representatives to discuss the situation in the area of the conflict between Peru and Ecuador and ways of settling it.

The diplomat claimed the American side did not raise the question of arms deliveries to the two countries at all.

Morozov also said that Russia and the USA support the negotiations under the Rio protocol according to the four plus two pattern (Chile, Argentina, Brazil, USA—Peru and Ecuador).

"Moscow thinks the process should not be pressed on but if it fails, finds it possible to look for alternative mechanisms of settling the conflict," the diplomat said.

Interfax was told by Rosvooruzheniye arms exporting company that Russia does not deliver any arms to Peru or Ecuador.

According to experts, military cooperation with Peru began in the early 70s when the USSR supplied the South American country with combat weapons and auxiliary vehicles, including tanks, combat and transport aircraft as well as small arms.

But by the beginning of the 90's cooperation with Lima was practically stopped.

Russian experts account this to the inefficiency of Soviet suppliers of spare parts to arms and aircraft. As a result President Alberto Fujimori who was elected five years ago announced a program of switching the national army to U.S. weapons and equipment.

Russia believes that there is no military alternative to the political way to settle the conflict on the border between Peru and Ecuador, the Foreign Ministry spokesman Grigoriy Karasin said at Thursday's briefing in Moscow.

"Russia will do all it can to contribute to the peaceful efforts to overcome the conflict, and exercise restraint in the area of military-technical cooperation," he pointed out.

Moscow Denies Reported Arms Shipment

MM1602143195 Moscow IZVESTIYA in Russian 16 Feb 95 p 3

[Report by Yevgeniy Bay: "Weapons for Amazonian War. Havana and Moscow on List of Probable Sellers"]

[FBIS Translated Excerpt] Just a few hours after President Alberto Fujimori of Peru announced that the conflict between his country and Ecuador had been settled, an artillery duel flared up once again in the Amazonian jungle. [passage omitted]

Guns are still firing in the Amazon basin and, at the same time, propaganda salvos are continuing—by those accused of delivering weapons to the conflict zone. They started in Santiago. The Chilean authorities resolutely rejected a report in the Peruvian newspaper LA REPUBLICA that they are arming Ecuador, although they admitted that a large consignment of Chilean weapons had been sold to that Latin American country back in September. Prior to this Chile had been compromised by major illegal arms deals—in 1993, for example, Carlos Kardoyen [surname as transliterated], a Chilean arms dealer, was accused by a Miami court of exporting U.S. raw materials to Iraq for the manufacture of cluster bombs.

A few days later Havana announced that it was not involved in selling weapons to Peru. Fidel Castro—for the first time in history—made haste to personally deny a report published in the U.S. newspaper NUEVO HERALD that Peruvian General Nicola Hermosa had visited Havana and acquired a large number of Soviet-model weapons in exchange for oil and food. As is known, Cuba was for decades one of the chief suppliers of Soviet weapons to Latin American insurgents.

Finally, it was Moscow's turn to justify itself. A week ago an Aeroflot aircraft, which supposedly had on board a load of weapons for Peru, was detained in Brazil. The aircraft was released following an inspection, but it is still unclear just what it was taking to Lima: According to some reports, turbines; according to others, spare parts for armaments which Moscow had supplied over the decades to the Peruvian Army. It has been learned, however, that there was no return address on the freight manifests.

The Ministry of Foreign Affairs hastened to declare that none of the competent Russian departments had anything to do with the cargo. The "Rosvooruzheniye" Company also announced that it was not involved in deliveries.

Rejecting the reports of "supposed" arms deliveries, Moscow is ready verbally to promote the conflict's peaceful settlement. We have managed to ascertain from Mr. Juan Rodrigo Salazar, Ecuador's very energetic ambassador to Russia, that the Russian Foreign Ministry has advanced specific initiatives for settling the conflict. We have learned from the same source that Moscow has sent its permanent observer to the OAS—Vladimir Chernyshev, a high-ranking diplomat (prior to this he held the post of head of the State Protocol Administration). In response to a call to the Foreign Ministry Latin American Countries Administration, however, asking them to say just what is involved in Moscow's peacekeeping mission in the Latin American conflict, we were told: "No one will make any comment to you on anything."

U.S.-Bound Missile Launcher From Belarus Found in Belgium

MK1602142095 Moscow OBSHCHAYA GAZETA in Russian No. 7/83 16-22 Feb 95 (Signed to press 15 Feb) p 1

[Report from Antwerp by RIA "NOVOSTI" correspondent Vladimir Katin specially for OBSHCHAYA GAZETA under the "Sensation" rubric: "A Russian Missile in Antwerp"]

[FBIS Translated Text] It all started when Belgian customs officers found an armored vehicle stuffed with all kinds of electronics and labeled "Made in Russia" in Antwerp port storage facilities. It turned out that the find was no less than a mobile launcher for "surface-to-air" and "surface-to-surface" missiles, code-named MP-22-E, according to Russian classification. According to its bills of lading, the launcher was sent from Minsk via St. Petersburg to Atrafem, a Belgium firm, allegedly to be subsequently transported to Iraq.

I have managed to find out some curious facts. First, Atrafem proved to be a front firm. Second, the missile launcher was not destined for Iraq at all. This version was circulated so as to divert attention from the actual addressee, a U.S. company named BDM International.

Shortly after the Soviet Union's collapse, the firm, based near Washington and headed by former Defense Secretary Frank Carlucci, bought from Belarus—with the help of U.S. special services—an entire arsenal of military hardware that had been left there. The goods were supplied by the "Beltekhexport" state association, which earned $50 million by selling the Soviet inheritance it received for free. To make sure that U.S. ears do not stick out too much from this legally and ethically dubious trade deal, a Canadian arms dealer, Emmanuel Veigensberg, was chosen as middleman. Shipments are still arriving, and the mobile missile launcher found by chance in Antwerp was not meant to be shown to the press, of course, but it just so happened...

Official Says No Need To Fear Nuclear Treaty With Iran

LD1602125295 Moscow ITAR-TASS World Service in Russian 0958 GMT 16 Feb 95

[By ITAR-TASS correspondent Marina Barinova]

[FBIS Translated Text] Moscow, 16 Feb—There are no grounds to fear military repercussions from the Russian-Iranian treaty on cooperation in nuclear power, ITAR-TASS was told by Georgiy Kaurov, who heads the information department at the Ministry of Atomic Power. He stressed that the atomic reactor that Russian workers are to finish building in Iran cannot be used for military purposes because weapons-grade plutonium is generated by nuclear installations of an entirely different type.

The documents signed this year entail construction of a 1 million kilowatt water-cooled reactor in Iran. The contract is worth about $800 million. Russia expects to further develop its cooperation in the peaceful use of nuclear power with Iran, where a nuclear power station will be built with water-cooled reactors, which are operating virtually worldwide.

According to Kaurov, Iran has shown interest in Russia's experience of building a nuclear-powered water desalination plant, similar to the one operating in Kazakhstan. An Iranian request for a research reactor to be supplied to a university is being considered. Both countries have already agreed that a number of Iranians will be trained at Russian higher-education institutes to use the reactors now being built. One hundred and fifty engineers and technicians from Russia are now working in Iran, and their number is expected to double in the near future.

Kaurov added that in April 1995 there will be an international conference on prolonging the Nuclear Nonproliferation Treaty. Article Four of that treaty binds countries with nuclear weapons to render technical assistance in the peaceful use of nuclear energy to all states that have acceded to the document and placed their nuclear activities under IAEA [International Atomic Energy Agency] supervision.

Iran is observing all of these requirements, which has been confirmed on numerous occasions by the IAEA so there are no grounds to discriminate against Iran in the peaceful use of nuclear power, Kaurov pointed out.

It was with this in mind and also with a desire to prolong the Nuclear Nonproliferation Treaty that Russia signed the agreement to build nuclear reactors in Iran.

Russian Reactors Will Not Be Supplied to Pyongyang

LD1702095895 Moscow ITAR-TASS in English 0856 GMT 17 Feb 95

[By ITAR-TASS correspondent Aleksandr Kopnov]

[FBIS Transcribed Text] Niigata February 17 TASS—Russian light-water reactors will under no circumstances be supplied to North Korea within the frameworks of the American-North Korean agreement on the settlement of the nuclear issue, ITAR-TASS was told today by some high-ranking Japanese diplomatic officials at the fifth international forum on problems of Northeast Asia's development, currently under way here. In their opinion, these will be identical installations of South Korean make, as envisaged by the agreement between the United States, Japan, and South Korea on the establishment of an international consortium to deliver such reactors to Pyongyang. If North Korea turns down this version, the officials stressed, it will be apparently necessary to give up the implementation of the Geneva agreements between it and Washington, because only South Korea is ready to assume the bulk of the cost of this entire project, estimated at four billion U.S. dollars.

North Korea and the United States agreed at Geneva in October 1994 to freeze the North Korean nuclear programme in its present form by replacing the graphite reactors, capable of producing weapons-grade plutonium, by militarily safer light-water units. Having agreed to this version, Pyongyang has still not agreed to accept South Korean reactors mostly due to ideological motives. At the same time, it points to the possibility of receiving them from Russia or other countries.

Political Issues

Commentary on Response to Yeltsin's Parliamentary Address

Grachev, Others Respond to Yeltsin Address

LD1602195095 Moscow INTERFAX in English 1853 GMT 16 Feb 95

[FBIS Transcribed Text] MOSCOW, Feb 16 (Interfax)—Russian President Boris Yeltsin's address to the parliament and his speech were differently taken in Russia's political circles. The following is quotations of Russian politicians interviewed by Interfax correspondents in the Kremlin Thursday [16 February].

Deputy Prime Minister, leader of the Party for Russian Unity and Concord, Sergey Shakhray: "I regard as a positive factor the fact that the president did not silence and conceal mistakes and faults committed, at the same time supporting the stability and succession of the course of reforms. I am quite satisfied with the part of Boris Yeltsin's speech where he spoke of the development of local self-government. However, we cannot forget about the forces trying to disrupt the parliamentary elections on the fixed date."

Chairman of a State Duma committee, Mikhail Poltoranin: "I did not expect nothing but repetition of trivial things and pledges to advance reforms from the presidential address and speech. I failed to see a profound analysis of the reasons for the failure to fulfil what was outlined by last year's presidential address."

Moscow Mayor Yuriy Luzhkov: "In his speech, the president provided a multi-aspect analysis of the country's situation. It matches my own vision of the problems. The main thing now is to make the address speed up real affairs. This is why I support the president's thesis on a dramatic reconstruction of the activities of all the bodies of state power. The question is not only personnel reshuffles. A possibility must be found to make all territories and regions of Russia accordingly work."

Nizhny Novgorod Governor Boris Nemtsov: "It is a pity that the address lacks a statement on the need to immediately stop the war in Chechnya. In my opinion, the address also lacks a real mechanism to surmount the crisis the country is facing."

Defense Minister Pavel Grachev: "The criticisms of the armed forces contained in the presidential speech have to be recognized as fair. However, even under the difficult financial conditions the army fulfils its goals ensuring the country's security. When there are new laws and budget funds, the army will be much stronger and mobile."

Leader of the Liberal Democratic Party faction in the State Duma, Vladimir Zhirinovskiy: "Our party regards the presidential address to the parliament as useless. It was prepared by the same team that destroyed the country. We propose closing Russia for sanitation for about 5-6 years. Only a military government will salvage Russia."

Member of the Presidential Council, Andranik Migranian: "In many respects, the presidential address reflects the struggle between two political trends. There are forces trying to push Boris Yeltsin to continue the course started by Yegor Gaydar. On the other hand, the president experiences pressure from those who believe the state should play a more active part. It seems to me that the president has not yet finally made up his mind and does not have a clear vision of the course to politically and ideologically replace the current one."

State Duma deputy, leader of the Russian All-People Union, Sergey Baburin: "I am satisfied with Boris Yeltsin's commitment to the constitutional dates of the parliamentary and presidential elections. Any other decision would be a disaster for Russia. I ascertained that Boris Yeltsin is a courageous person. Individual provisions of his address are evidence that he will long be capable of dramatic changes of his views, which is extremely dangerous."

Leader of the agrarian faction in the State Duma, Mikhail Lapshin: "The presidential address and speech do not contain anything constructive and creative. The agrarian part of his speech represent a traditional appeal to conduct the spring sowing campaign well, which is familiar to farmers since long ago. I expected the president to lay out his view of the land and agrarian reforms."

Deputy Prime Minister Praises Yeltsin's Address

LD1602144095 Moscow Radiostantsiya Ekho Moskvy in Russian 1300 GMT 16 Feb 95

[FBIS Translated Text] The presidential address fully defines areas of the state's development in 1995, believes Sergey Shakhray, deputy chairman of the Russian Government and the head of the PRES [Russian Unity and Accord] faction.

[Begin Shakhray recording] What is characteristic of this message is that it makes no attempt to hide or smooth over faults and errors made and gives no empty promises. The main thing is that it confirms the stability and continuity of our policy of reforms. I think that these are the most important points in the message of the head of state, confidence and stability. [end recording]

Further on Shakhray's Satisfaction

LD1602152895 Moscow ITAR-TASS in English 1450 GMT 16 Feb 95

[By ITAR-TASS correspondent Andrey Storch]

[FBIS Transcribed Text] Moscow February 16 TASS—Russian deputy prime minister, chairman of the Russian Party of Unity and Accord Sergey Shakhray told ITAR-TASS today that he was very satisfied with the fact that provisions of the presidential state-of-the-federation address to the Russian Parliament were implementable and defined Russia's major goals.

Shakhray stressed that the address did not veil errors and shortcomings or hand out empty pledges and that it reaffirmed the president's commitment to reforms.

The document outlines Russia's major goals: Interaction of all power branches, compliance with principles of federalism, development of local self-rule, Shakhray said.

Asked whether parliamentary and presidential elections were real in respectively December 1995 and June 1996, Shakhray said it was far more real that somebody manages to disrupt them.

Fedorov Dissatisfied With Yeltsin's Address

*LD1602182195 Moscow INTERFAX in English
1606 GMT 16 Feb 95*

[FBIS Transcribed Text] MOSCOW, Feb 16 (Interfax)—None of the provisions of Boris Yeltsin's address to the Russian parliament satisfied the leader of the deputies' group December 12 Liberal Democratic Union, ex-Finance Minister Boris Fedorov. In an interview with Interfax Thursday, he regretted that the president "failed to admit the mistake the authorities committed."

Fedorov was also amazed by the president's failure to name those to blame for the "incompetent," as he put it, military operation in Chechnya, though on the whole Yeltsin's position on the issue was "quite well-balanced."

Zyuganov 'Amazed' by 'Hollowness' of Speech

*LD1602174795 Moscow INTERFAX in English
1533 GMT 16 Feb 95*

[FBIS Transcribed Text] MOSCOW, Feb 16 (Interfax)—Commenting on the Thursday [16 February] speech by President Boris Yeltsin at the joint session of the two houses of parliament Gennadiy Zyuganov said that though he had not expected much, he was still "amazed by its absolute hollowness". In an exclusive interview with Interfax the leader of Russian Communists said he got the impression that presidential speech-writers neither saw nor know what is happening in the country.

Zyuganov stressed that in conditions of the current grave crisis the president should have given an accurate diagnosis of its causes. "If one speaks of strengthening government and immediately after declares that the government is alienated from the people, he should know that if reforms in Russia are not accepted by the people, they will never be carried out," Zyuganov stressed.

The Communist leader said that the report written in "bureaucratese" enumerates everything indiscriminately without singling out the main causes of the crisis.

Zyuganov thinks the country is seriously ill both literally and figuratively. According to him, last year 920,000 people "died out", 36 million live below the poverty line and 10 million are out of work. Meanwhile, the causes of all these problems found no reflection in Yeltsin's report, Zyuganov said.

Sees Nothing New in Yeltsin Address

*LD1602131495 Moscow ITAR-TASS in English
1236 GMT 16 Feb 95*

[By ITAR-TASS correspondent Andrey Shtorkh]

[FBIS Transcribed Text] Moscow February 16 TASS—"There is not a single new word in the Russian president's message to the Federal Assembly", Gennadiy Zyuganov, chairman of the Central Committee of the Communist Party of the Russian Federation, told ITAR-TASS after Boris Yeltsin delivered his annual message to the Federal Assembly.

Zyuganov believes the message is composed in such a way "as if the country does not undergo a vast systemic crisis". Zyuganov noted specifically that the document "contains no mention of how last year's message has been implemented".

Regarding separate sections of Yeltsin's message, Zyuganov said: "Dwelling on the Chechen problem, the president said that we shall be struggling for peace, but he did not say anything as to what should be done for this and in what ways". The same, in his opinion, applies to combatting crime. "Yeltsin says that it is necessary to fight crime, but he does not mention the main thing, that the same persons should not discharge simultaneously functions of executive and representative authorities, and that legislators should have control over the government".

Assessing the guarantees for holding the parliamentary and presidential elections on schedule, advanced in the presidential message, Zyuganov said: "They have no choice. They will be unable to hold the military-police country under control".

Tatar President Upbeat on Yeltsin's Address

*LD1602173895 Moscow ITAR-TASS in English
1449 GMT 16 Feb 95*

[By ITAR-TASS correspondent Andrey Shtorkh]

[FBIS Transcribed Text] Moscow February 16 TASS—"The president's message to the Federal Assembly is a good message, understandable for all sections of the population. The problem now is how to realised it", Tatarstan President Mintimer Shaymiyev told ITAR-TASS on Thursday. He commented on Boris Yeltsin's delivery of the annual message of the head of state to the Federal Assembly.

The Tatarstan president said that in his address to deputies "Boris Yeltsin confirmed last year's thesis about the need to compensate for social price of reform". Since the president made this statement, it should now be confirmed by specific steps to give relief to the poorer sections of the population, Shaymiyev said. At the same time, the Tatarstan president expressed doubt about the expediency of increasing the minimum wage and additions to pensions.

Baburin Has No Faith in Yeltsin's Message

LD1602175995 Moscow ITAR-TASS in English 1555 GMT 16 Feb 95

[By ITAR-TASS correspondent Andrey Shtorkh]

[FBIS Transcribed Text] Moscow February 16 TASS—Sergey Baburin, chairman of the Russian People's Union, the oppositional socio-political movement, is of the opinion that "the presidential message to the Federal Assembly contains correct things, but they are difficult to believe: Boris Yeltsin made too many promises and advanced too many guarantees. I am afraid the present words will not be corroborated with deeds either".

"I like very much Boris Yeltsin's thought about the need to conduct elections on schedule. The parliamentary elections should be held in December 1995 and the presidential elections not later than in the summer of 1996", Baburin said. "I will be glad if the president's supporters adhere to his statement. Regrettably, they may get scared and may refuse to hold elections. This decision will be disastrous for Russia", Baburin said.

Summing up his impressions from the president's message, Baburin stated: "I got convinced again that Yeltsin is a man of courage. Some aspects in his message showed that he can radically change his views in future, too".

Speech Seen Short on Foreign Policy Analysis

MK1702121095 Moscow NEZAVISIMAYA GAZETA in Russian 17 Feb 95 p 2

[Commentary by Mikhail Karpov under the "Foreign Policy" rubric with the general headline: ""The President's Message Has Been Written by Democrats But It Will (Not) Be Fulfilled by Bureaucrats. Boris Yeltsin Has Criticized the State Power Mechanism in Russia So Sharply and Fairly That One Might Think He Himself Has Nothing To Do With It"]

[FBIS Translated Text] It is nice to know that NEZAVISIMAYA GAZETA made no mistake in its prognoses in regard to the presidential message. It does indeed devote scant space to foreign policy; the criticism of the West's policy vis-a-vis Russia is way too mild whereas concern at the negative impact of the Chechen factor on our positions on the world scene is not there at all. All these things only stress the correctness of the guess that the text of the speech results from a confrontation between two groupings in the president's entourage, which can be conventionally described as supporters of the "all is right" and the "all is wrong" principles in assessing the Russian foreign policy. Remarkably, the point of view of the first grouping clearly prevailed. It is not ruled out, however, that the tenor and message of the foreign policy section is a tribute to the Western leaders' restraint in their approach to the Chechen campaign.

One way or other, the changing—and to a considerable extent, already changed—stance of the West toward relations with Russia found no appreciable reflection in the president's address. The text is peppered with the words "partnership" and even "cooperation." Whereas reality leads one to ponder Russia's being forced aside and, in some instances, being excluded from making decisions on specific international relations issues. The only motif heard sufficiently clearly was that of rejection of, in Yeltsin's words, "the construction which they intend to build on Russia's western borders by hurriedly moving NATO toward them." The Russian president for the umpteenth time mentioned the formula that Moscow has no "dark designs," but can that accomplish much?

It is quite clear that Russia's desire to participate in the building of a new order on the European and global scale remains invariable. But who in the whole world can now in deed, rather than in word, back this claim? This cannot be clearly discerned either in the address or in reality. The promise that "we will intensify efforts in the Pacific area in our foreign policy" hardly meshes with the low-intensity contacts in this area.

Still there is something one can look forward in the Russian foreign policy! It looks like the long-held plans on creating in Russia a special higher institution for international relations are going to materialize. Indeed, Yeltsin stated in no uncertain terms that "an effective conduct of Russia's foreign policy calls for the creation under the president of a precise mechanism of interdepartmental coordination in this field." This turn of events threatens the Russian Foreign Ministry with no longer playing the first fiddle and with being moved back to the usual place it occupied under communism—that of a performer of someone else's orders. As for the choice of foreign policy priorities, it would, one would have thought, depend on the man who is to head the new organ.

Elicits Mixed Reaction From Duma Factions

MK1702123095 Moscow KURANTY in Russian 17 Feb 95 p 1

[Report by Yan Ulanskiy under the "Parliamentary Chronicles" rubric: "President Failed To Impress Duma"]

[FBIS Translated Excerpt] The presidential message to the Federal Assembly has elicited a fairly cool response in the State Duma lobby. Many deputies did not even bother to go to the Kremlin. Such as, for instance, Security Committee Chairman Viktor Ilyukhin and "Yabloko" leader Grigoriy Yavlinskiy. Hence, their reaction.

The "Yabloko" faction decided not to discuss the message at all, because it did not find any new positive concepts in it whatsoever. Nikolay Travkin, former leader of the Democratic Party of Russia, said that he has not yet analyzed the president's statement and so cannot comment on it. His party colleagues did discuss the message, however, and decided that they would support economic policy priorities outlined in the document. But they can no longer take the president at his word. In their view, the presidential program cannot be implemented without the current government's resignation.

To Mikhail Danilov ("Russia's Choice") Yeltsin's address seemed to be insincere, because the president failed to recognize the executive authority's responsibility for what has happened in Chechnya. Moreover, Danilov thinks that the president did not formulate clear enough his ideas about the protection of private property. He thinks, however, that the full text of the message includes many things that the president did not mention in his speech. The communists and agrarians convened their respective faction meetings, but deliberations dragged out till late into the night. [passage omitted]

Short on Links Between Problems, Solutions

MK1702122095 Moscow NEZAVISIMAYA GAZETA in Russian 17 Feb 95 pp 1, 2

[Ivan Rodin report in the "Kremlin" column under general headline. "The President's Message Has Been Written by Democrats But It Will (Not) Be Fulfilled by Bureaucrats. Boris Yeltsin Has Criticized the State Power Mechanism in Russia So Sharply and Fairly That One Might Think He Himself Has Nothing To Do With It"]

[FBIS Translated Excerpt] The president's address to the Federal Assembly is called "On the Effectiveness of State Power in Russia." Its content shows that this effectiveness is rather low. Were it otherwise, the address would have apparently contained special sections highlighting success stories. There are no such sections in the message.

Last year's situation is fully repeating itself. The president pinpoints problems and then explains how things should be. The connecting link—specific methods of moving from a problem to positive reality—is, as usual, absent. This was noted by many listeners to Boris Yeltsin's speech yesterday, and it can be assumed that the number of those paying attention to this will be even greater among the readers of the text itself.

Interestingly, last year's message was used by many critics of the existing regime for accusing, in particular the government of ignoring the implementation of its basic provisions. The gap between good intentions and positive actions allows this to be done quite easily. Yesterday's presentation and the new message surely have the same shortfalls and will be used for the same purpose. Therefore, annual rallies in the Kremlin's Marble Hall are good only in as much as they convince the regime's opponents about its uselessness or even harmfulness. True, the supporters, who are not very many (these are mostly those in executive structures who either get a salary or a possibility to misappropriate something), are not receiving any valuable guidelines. [passage omitted]

Kozyrev Says Democrats Should Unite Around Yeltsin

LD1602185395 Moscow ITAR-TASS in English 1748 GMT 16 Feb 95

[By ITAR-TASS correspondent Valeriy Sevryukov]

[FBIS Transcribed Text] Moscow February 16 TASS—Russian Foreign Minister Andrey Kozyrev said on Thursday [16 February] that all democratic forces in Russia should unite round President Boris Yeltsin, "the guarantor and leader of reforms".

Speaking to reporter on Thursday, Kozyrev said that Yeltsin's state-of-the-nation message has signalled that the Russian president is rather inclined to proceed with reforms than to curb them because of the Chechen developments.

"We expected, Kozyrev went on saying, that the majority of the world community would understand that Russia, as any other state, not only can but must take all measures, including the use of power, to liquidate the armed revolt and restore on its part human rights violated by (Dzhokhar) Dudayev's regime".

We feel such understanding of the world community and highly appreciate the stance of the United States and the European Union, the minister said.

However, criticism voiced from abroad towards some aspects of the Chechen operation is only natural, although these aspects are connected with objective difficulties, Kozyrev noted.

Yeltsin Aide Says Foreign Policy Remains Unchanged

LD1602163695 Moscow ITAR-TASS in English 1559 GMT 16 Feb 95

[By ITAR-TASS correspondent Andrey Storch]

[FBIS Transcribed Text] Moscow February 16 TASS—Myths about change of Russia's foreign policy are unfounded, presidential international affairs aide Dmitriy Ryurikov told a news conference today, commenting on the Russian president's state-of-the-federation address to the parliament.

The address confirmed that Russia's key foreign policy directions remain unaltered, Ryurikov said.

The presidential address's tone is the tone which Russia previously used speaking with its partners, Ryurikov continued.

The presidential aide said NATO's eastward expansion remained a major issue in Russia's relations with the West. "Boris Yeltsin has reaffirmed that Russia objects to this," Ryurikov said.

Communists Insist Yeltsin 'Should Resign'

MM1602125395 Moscow SOVETSKAYA ROSSIYA in Russian 16 Feb 95 p 1

[Unattributed report: "Before the Second Message"]

[FBIS Translated Text] The Russian Federation Communist Party Central Committee Presidium and the Russian Federation Communist Party faction in the State Duma have issued a statement summing up the results of the year that has passed since the first presidential message to the Federal Assembly. The document notes that:

Overall material production has fallen by one-fifth during the year, and has more than halved on 1990. Production investment has fallen by a quarter. Unemployment wholly or partly affects 10 million people—that is, 13.5 percent of the working population. Execution of the state budget has been a complete failure—particularly as regards support for the military-industrial complex, the social sphere, science, education, and culture.

Price growth has outstripped average earnings by almost 50 percent. Some 36 million people—that is, a quarter of the entire population—are below the official poverty line. The incidence of infectious disease has doubled or tripled. There are 88 murders and 190 serious bodily assaults in the country in the space of a single day.

It looks as though we will hear in the president's 16 February message the same old chaotic selection of promises, good wishes, and pompous declarations—unsystematic, without any understanding of the real problems, and without any moral grounding. Consequently we are calling for the joint session of the Federal Assembly chambers not to be restricted to a loyal hearing of a "speech from the throne." B. Yeltsin has an obligation to answer deputies' questions and listen to their opinions.

We reject from the outset any attempts to pin responsibility on certain ministers or even the government as a whole. It is not a question of the actions of particular individuals but of the political and economic policy that is closely bound up with the current president's position.

B. Yeltsin should resign, since each day of his rule steadily brings closer a national state disaster.

U.S. Increasingly Worried by Yeltsin 'Alcoholism'

MM1602142195 Moscow KOMSOMOLSKAYA PRAVDA in Russian 16 Feb 95 p 3

[Report by Sergey Romanov under the "Read in NEWSWEEK" rubric: "U.S. Support Has Not Made Boris Any Steadier"]

[FBIS Translated Text] President Clinton continues publicly to support Russian President Boris Yeltsin. However, in private conversations Clinton's advisers are voicing growing concern over—to employ diplomatic language—Yeltsin's "health." During his recent visit to Kazakhstan his speech was indistinct and he was so unsteady on his feet that two officials were obliged to support him.

After the CIA report leaked to the press last month about his alcoholism administration representatives were forbidden to comment on the Russian president's hard drinking. However, highly placed sources in the the U.S. Administration have informed NEWSWEEK that Yeltsin's periods of sobriety are only "sporadic" and are becoming rarer and rarer. We are certainly worried by this, U.S. officials told the magazine.

Administration representatives intend to pay close attention to Yeltsin's address to the Federal Assembly this week. They are expecting him to condemn the actions in Chechnya and to dismiss the hard-liners in Russia's military command who are to blame for the bloodshed. Until Yeltsin exhibits regret for the events in Chechnya, officials in the United States stated, the question of holding the Russian-American summit in Moscow scheduled for this May will be deferred.

Yeltsin Treats Stories With 'Disgust'

MM1602161595 Moscow KOMSOMOLSKAYA PRAVDA in Russian 16 Feb 95 p 3

[Report by Aleksandr Gamov under the "Read in NEWSWEEK" rubric: "Eye-Witness Testimony"]

[FBIS Translated Text] During the less than 24 hours which Boris Yeltsin spent in Alma-Ata [Almaty] last week I was able to meet with and be close to him several times (at the airport, the Kazakhstan president's residence, at the Council of Heads of State, and in the corridors of the session, where he conversed with journalists). I got no impression that the president had "major health problems," as is being written in the West today. The only thing that struck me was his somewhat awkward gait and rather wan complexion. People from Yeltsin's entourage whom I approached put this down to the fact that Boris "is a bad flier" (we took more than four hours to fly from Moscow to Almaty), and moreover he has been doing a very great deal of work recently. And everyone gets unwell.

As far as the NEWSWEEK report of the president's "indistinct speech" in Almaty is concerned.... I was present at the meeting of heads of state at the very beginning, when Yeltsin spoke.... I would not say that he spoke indistinctly; rather his voice was gruff, perhaps even strained.

But I wonder: How does Boris Nikolayevich himself respond to the bulletins on his "ill health" published in the West? "With a sense of disgust," the president's press secretary, Vyacheslav Kostikov, told me yesterday. And he confirmed that Yeltsin is "in good form" and currently has a "very intensive work schedule."

Yeltsin Issues New Edict on Ossetia-Ingush Conflict

LD1602200095 Moscow INTERFAX in English 1853 GMT 16 Feb 95

[FBIS Transcribed Text] MOSCOW, Feb 16 (Interfax)—Russian President Boris Yeltsin issued a decree abrogating his earlier decree imposing emergency rule in parts of North Ossetia and Ingushetia.

Under a new decree, made available to Interfax by the presidential press service, the president sets up an Ad Hoc State Committee to deal with the consequences of the Ossetian-Ingush conflict.

This step is said to be taken in the light of failure on the part of the Federation Council to debate approval of presidential decrees imposing emergency rule in parts of North Ossetia and Ingushetia.

The Ad Hoc State Committee will be formed and take over from the Provisional Administration that supervised the emergency rule in parts of those republics.

The committee will coordinate the activities of federal executive bodies, their territorial organs and Executive Branches of North Ossetia and Ingushetia in dealing with the consequences of the Ossetian-Ingush conflict other than imposition of the emergency rule.

The Interior Ministry, the Federal Counterintelligence Service, the Defense Ministry and the Federal Border Guard Service are ordered to take steps to prevent armed clashes, protect the civil rights and liberties and protect the security of the borders of North Ossetia and Ingushetia in order to prevent illegal militias from infiltrating these republics and trafficking of weapons and ammunition. The force agencies and the Prosecutor General's Office are told to take steps to disarm illegal militias and seize illegal arms from the population.

The governments of North Ossetia and Ingushetia are ordered to interact with the Ad Hoc State Committee in having displaced persons return to their former residences in North Ossetia and Ingushetia.

The presidential decree of February 4, 1995 on imposition of emergency rule in parts of North Ossetia and Ingushetia is considered null and void.

The new decree takes effect on the day of its publication.

'Text' of Edict

LD1602231695 Moscow ITAR-TASS World Service in Russian 2055 GMT 16 Feb 95

[FBIS Translated Text] Moscow, 16 Feb ITAR-TASS—Russian Federation President Boris Yeltsin as signed an edict "On Meaures to Eliminate the Consequences of the Ossetian-Ingush Conflict of October-November 1992." Below is the text of the edict that was sent to ITAR-TASS today by the Russian Federation president's press service.

As the result of the operation of the state of emergency regime in part of the territories of the Republic of North Ossetia and the Ingush Republic, and of other measures undertaken by federal bodies of state authority to eliminate the consequences of the Ossetian-Ingush armed conflict, success has been achieved in taking control of and stabilizing the situation in the two republics. However, the events in the Chechen Republic, the attempts of illegal armed formations operating in its territory to infiltrate and detonate the situation in adjoining areas, the complex situation in centers of population to which forced migrants are returning, and the continuing violations of legality and law and order still pose a threat to the safety of citizens in the territories of the Republic of North Ossetia and the Ingush republic.

These circumstances were not fully taken into account by the Federation Council of the Federal Assembly, and the debate on confirming the edicts of the President of the Russian Federation on introducing a state of emergency on part of the territory of the Republic of North Ossetia and the Ingush republic was in effect thwarted. On 3 February 1995, the discussion of Edict No. 87 of the President of the Russian Federation of 31 January 1995, did not take place because of the absence of a quorum, and on 7 February 1995 during the debate on Edict No. 93 of the President of the Russian Federation of 4 February, there was a violation of the rules during the voting.

Taking account of the situation that has arisen, and in connection with the need to take measures to protect the rights and freedoms of the individual and the citizen and with ensuring law and order and public safety, in accordance with Articles 72 *Part 1, Point "6"*, 77 *Part 2*, 80 *Part 2* 85 *Part 1*, and 112 *Part 1* of the Constitution of the Russian Federation and with the Law of the Russian Federation "On Security," and also with the aim of coordinating the activity of the federal bodies of executive authority charged with ensuring the fulfillment of the edicts of the President of the Russian Federation and the decisions of the Government of the Russian Federation on questions of the return to their homes of those forced to move away and the elimination of the aftermath of the Ossetian-Ingush conflict of October-November 1992, I resolve:

1. To form the Interim State Committee of the Russian Federation on the Elimination of the Consequences of the Ossetian-Ingush Conflict of October-November 1992, (henceforth called the Interim State Committee), on the basis of the Interim Administration in part of the territories of the Republic of North Ossetia and the Ingush republic, which was introduced as a special form of administration by the Russian Federation President's Edict No. 93 of 4 February 1995, 'On the introduction of a state of emergency in part of the territories of the Republic of North Ossetia and the Ingush republic.'

To designate the towns of Vladikavkaz and Nazran as the seat of the Interim State Committee.

2. To establish that the Interim State Committee will be a temporary federal body of executive power that coordinates the work of the federal bodies of executive power and their territorial bodies, as well as the bodies of the executive power of the Republic of North Ossetia and the Ingush republic that deal with the elimination of the consequences of the Ossetian-Ingush conflict of the October-November 1992;

will be the legal successor to the Interim Administration on part of the territory of the Republic of North Ossetia and the Ingush republic, which was introduced as a special form of rule by Edict No. 93 of the President of the Russian Federation, dated 4 February 1995, including control of the bodies set up under the Interim Administration on part of the territory of the Republic of North Ossetia and the Ingush republic, with the preservation of the legal status of these bodies and their officials;

pending endorsement of the statute on the Interim State Committee, will abide in its activities by the Statute on the Interim Administration endorsed by Edict No. 2055 of the President of the Russian Federation, dated 30 November 1993, apart from matters concerning the maintenance of the state of emergency regulations.

3. To make applicable to the staff of the Interim State Committee and persons posted or seconded to the Interim State Committee the conditions of pay and social guarantees defined in the resolution No. 113 of the Russian Federation Government dated 7 February 1995, "On conditions of pay and social guarantees for the staff of the provisional administration in some areas of the Republic of North Ossetia and the Ingush republic, for the staff of the joint urgent investigation group of the procuracy-general of the Russian Federation, the Interior Ministry of the Russian Federation, and the Federal Counterintelligence Service of the Russian Federation, and the Caucasian interregional procuracy."

4. The Interior Ministry of the Russian Federation and the Federal Counterintelligence Service of the Russian Federation should:

—Together with the Defense Ministry of the Russian Federation and the Federal Border Service of the Russian Federation, take measures to prevent armed conflicts, to protect the rights and freedoms of the citizens, ensure the security of the administrative and territorial borders of the Republic of North Ossetia and the Ingush republic in order to prevent illegal armed formations penetrating into their territory and weapons and ammunition being brought there;

—Implement a series of measures to ensure public safety, protect vital facilities in both republics within the limits of competence set out in the legislation of the Russian Federation.

5. The Interim State Committee is to ensure the coordination and supervision of the actions of the forces and means of the Ministry of Internal Affairs of the Russian Federation, the Federal Counterintelligence Service, the Ministry of Defense, the federal agency of government communications and information under the president of the Russian Federation, and the State Customs Committee of the Russian Federation located on the territory of the Republic of North Ossetia and the Ingush Republic. On questions of protecting the state border the Interim State Committee is to undertake cooperation with formations and units of the Border Troops of the Russian Federation stationed in this region.

To extend to the personnel of the formations and military units of federal organs of executive power taking part in the normalization of the situation and in restoring law and order on the territory of the Republic of North Ossetia and Ingush Republic, the validity of decision No. 280 of the Government of the Russian Federation of 31 March 1994 "On the procedure for establishing the fact of the fulfillment of tasks by servicemen and other persons in state of emergency conditions and in armed conflicts and for granting them additional guarantees and compensation.

6. The Ministry of Internal Affairs of the Russian Federation, the Federal Counterintelligence Service of the Russian Federation, the Ministry of Defense of the Russian Federation, and the Procuracy General of the Russian Federation are to take measures to disarm the illegal armed formations and confiscate illegally held weapons from the population.

7. The Government of the Republic of North Ossetia, the Government of the Ingush Republic, the Interim State Committee, the Procuracy General of the Russian Federation, the Ministry of Internal Affairs of the Russian Federation, the Ministry of Defense of the Russian Federation, and the Ministry of Finance of the Russian Federation are to present monthly reports to the government of the Russian Federation on the implementation of this edict.

8. The government of the Russian Federation should:

—Approve the statute on the Interim State Committee within two weeks;

—Ensure the implementation of measures connected with the fulfillment of the present decree and the work of the Interim State Committee, including their financing;

—Fully and in good time finance measures to achieve a comprehensive solution of the problem of refugees and forced migrants;

—Monitor the use for special purposes of allocated financial and material resources.

9. The Government of the Republic of North Ossetia and the government of the Ingush Republic should:

—Interacting with the Interim State Committee ensure the further return of forced migrants to their former places of permanent residence in the territories of the Republic of North Ossetia and the Ingush Republic;

—Draw up and implement a set of measures to give effect to the provisions of the present edict;

—Provide medical, social, and everyday services for returning forced migrants and their families and also education for the children.

10. To deem that the Russian Federation president's edict No. 93 of 4 February 1995 "On the Introduction of a State of Emergency on Part of the Territories of the Republic of North Osetia and the Ingush Republic" is now invalid.

11. The present edict enters into force from its day of publication.

Yelstin Issues Decree To Restore Chechen Economy, Society

LD1602113395 Moscow ITAR-TASS World Service in Russian 0945 GMT 16 Feb 95

[FBIS Translated Text] Moscow, 16 Feb ITAR-TASS—Russian Federation President Boris Yeltsin has today promulgated an edict: On additional measures to restore the economy and social sphere of the Chechen Republic, the president's press service said. The edict says:

In order to organize work on restoring the economy and viability of the Chechen Republic I decree:

1. That a State Commission for the restoration of the economy and social sphere of the Chechen Republic (referred to below as the State Commission) be formed from among the heads of federal executive agencies working on the restoration of the economy and essential public services in the Chechen Republic. That the State Commission should be headed by a deputy chairman of the Government of the Russian Federation, to be decided by the chairman of the Government of the Russian Federation;

That decisions of the State Commission are binding on federal executive bodies, the executive bodies of the component parts of the Russian Federation, businesses, institutions, and organizations taking part in the restoration of the economy and essential public services in the Chechen Republic;

2. That the Government of the Russian Federation should within one week decide who is to sit on the State Commission and endorse a statute on the commission, making provision for the post of deputy chairman of the State Commission. The government should establish that material, medical, public, and transport services are provided for the deputy chairman of the State Commission on the same terms as for a federal minister;

I decree that the relevant office be created to provide organizational and technical support to the State Commission within the apparatus of the Russian Federation Government, thus increasing the staff of the apparatus of the Government of the Russian Federation by 20.

3. It should be considered essential to create within the federal executive agencies working to restore the economy and public services in the Chechen Republic—but keeping within established staff numbers—offices charged with dealing with these matters to be headed by the deputy head of the appropriate federal executive agency. The heads of the federal executive agencies are to submit their relevant proposals to the Government of the Russian Federation within five days.

4. Within one month the Government of the Russian Federation is to complete the drafting of a targeted federal program for the restoration of the economy and social sphere of the Chechen Republic and of a draft federal law making provision for finance from the federal budget, as well as the drafts of the acts of legislation as required for this program to be implemented.

5. This edict comes into force from the time of signing.

Gaydar Sees Policy as 'Awful Mistake'

LD1602191995 Moscow INTERFAX in English 1606 GMT 16 Feb 95

[FBIS Transcribed Text] MOSCOW, Feb 16 (Interfax)—Leader of the Russia's Choice parliamentary faction Yegor Gaydar told Interfax that he regretted that the Russian president had failed to recognize the decision to use force in Chechnya as "an awful mistake" in his message to the parliament.

However, Gaydar said the fact that "constructive talks" had finally begun instead of bloodshed and that heavy armaments were no longer massively used in Chechnya was "much more important than any words."

Speaking about the economic provisions of the presidential message, Gaydar said he believed that the economic situation would be defined "by budget decisions rather than by speeches" and by the people managing the economy.

Agrarian Party Rejects Yeltsin Message on Farming

LD1602194895 Moscow INTERFAX in English 1853 GMT 16 Feb 95

[FBIS Transcribed Text] MOSCOW, Feb 16 (Interfax) - The Agrarian Party rejected the part on the farming sector of the presidential message made public Thursday [16 February].

The party leader Mikhail Lapshin told his party group in parliament that the presidential message used verbs which did not emphasize the government commitments to the farming sector but italicized the Nizhny Novgorod model of reforming the country's agriculture, a model aimed at breaking down large farms.

The group's press service reports that the group meeting described the message as a manifesto of a bankrupt regime.

The Agrarian deputies decided to send a letter to the president calling for "changes in the interests of the peasantry and the entire working people of Russia. If the voice of the agrarians is not heard, they reserve the right to take resolute action."

Yeltsin Opens Local Government Conference at Kremlin

LD1702083595 Moscow ITAR-TASS World Service in Russian 0735 GMT 17 Feb 95

[FBIS Translated Text] Moscow, 17 Feb—"The beginning of the implementation of the priorities identified in the president's message to the Federal Assembly" was how Boris Yeltsin described today's all-Russian conference on the implementation of constitutional provisions on local government and the organization of state authority in components [subyekty] of the Russian Federation. Opening the conference being held in the Kremlin, the president said its main task was "to organize interaction between bodies of authority" at all levels.

Representatives of federal bodies of authority; deputies from both chambers of parliament; and representatives of Federation components, local government bodies, and scientific and public organizations are taking part in the all-Russian conference.

The main report at the conference will be delivered by Viktor Chernomyrdin, chairman of the Russian Government.

Chernomyrdin Addresses Conference

LD1702092195 Moscow ITAR-TASS in English 0902 GMT 17 Feb 95

[By ITAR-TASS correspondent Oleg Velichko]

[FBIS Transcribed Text] Moscow February 17 TASS—Russian Prime Minister Viktor Chernomyrdin told a conference in the Kremlin today that the new Russian state is on the way to its maturity.

The prime minister said a law-governed state and institutes of civil society are taking shape in Russia's regions.

According to Chernomyrdin, local self-government secures above all the local population's role in solving local problems, such as the ownership, management and disposal of municipal property.

While not part of the system of the bodies of state authority, the bodies of local government can be vested with certain government powers the exercise of which is under the state control.

The prime minister recognised that the present regulatory enactments have not yet been reoriented from the central to local government. According to him, the law on local governments passed in 1991 is no longer in line with the new constitution. This sets an important task for the federal authorities to accomplish—to consolidate and develop the constitutional provisions on local government in a respective federal law.

The prime minister recalled that the government drew up a draft law on general principles on organising local government which the president submitted to the State Duma in December 1994. As concerns the main provisions of that law, Chernomyrdin noted that its basis is formed by legal standards which enable Russian people to secure independent handling of local problems.

"The lawbill provides for a single level of local government and thus establishes equal authority for all local communities. The local inhabitants will have a chance to independently determine the structure of their local government through participation in the adoption of regulations and charters," Chernomyrdin said. He added emphatically that the draft lays down the principle of separation of powers.

According to Chernomyrdin, the lawbill pays special attention to financial and economic independence of local government. The centre will build its financial relations with local governments on the basis of social standards. "Local government will have income sources to build a minimal local budget. Local government bodies will have to mobilise resources for the development of the territory from their own economic activity, including local taxes and attraction of investments," Chernomyrdin said.

Further Chernomyrdin Comments

LD1702105195 Moscow Radio Rossii Network in Russian 0900 GMT 17 Feb 95

[FBIS Translated Text] The All-Russian Conference on Local Self-Government began work in the Kremlin today. Opening the conference, Russia's President Boris Yeltsin described its main task as establishing interaction between the bodies of power of all levels. Russian Prime Minister Viktor Chernomyrdin, who delivered the main report, noted the significance of the demarcation of the powers of the various levels of power for resolving economic tasks. Here is what he said in particular:

[Begin Chernomyrdin recording] At the recent Duma hearings on regional policy, the following example was cited: The constitutional court of the Komi Republic was asked to give a conclusion as to whether the administration of the town of Syktyvkar belongs to the state bodies or to the bodies of local self- government. What is this all about? If it is a state body then its emission of securities must not be taxed, but if it is a body of local self-government then pay up. And as many examples of this kind as you like can be cited. Before the constitution now in force was adopted, local self-government was traditionally regarded as a kind of state government in the regions. This tradition is reflected also today in the statutes of krays and oblasts that are being drawn up and have already been adopted and in the laws of a number of subjects of the federation. This also involves bodies of local self-government being included in the system of bodies of state government and the violation of the rights of local self-government in regulating questions of land utilization and the independent management of municipal property, in particular in questions of its privatization being violated. [end recording]

Yeltsin, Chernomyrdin Speak at Local Government Conference

LD1702111995 Moscow Ostankino Television First Channel Network in Russian 0952 GMT 17 Feb 95

[From the "Novosti" newscast; by announcer Irina Paley]

[FBIS Translated Text] [Announcer] Today Boris Yeltsin opened the all-Russia conference devoted to issues of local self-government and the organization of the power of the Russian Federation subjects.

[Begin Yeltsin recording] I think today's conference should become the first organizational step in getting cooperation going at all levels of authority. The structure of state power will be unstable until it is reinforced with a viable system of local self- government.] [end recording]

[Announcer] Taking part in the conference are representatives of the central authorities of Russian Federation subjects, of scientific and public organizations, and deputies. Viktor Chernomyrdin, chairman of the Russian Government, made the main report.

[Begin Chernomyrdin recording] The most important link in mastering the new administration technique is the organization of state power on a regional level and the implementation of the provisions of the constitution on local self-government. You see, it is precisely in the regions, in the territories where Russians live and work, that the coming into being of a law-based state, the institutions of a civic society, is occurring in practice. New qualities are emerging in the democratic self-organization of people. It is precisely here, in numerous Russian towns, cities, and villages that the fate of the country, the fate of the actual people is being determined. [end recording]

Lobov Says Moscow Ready To Negotiate With Chechnya

LD1602144895 Moscow ITAR-TASS in English 1412 GMT 16 Feb 95

[By ITAR-TASS correspondent Andrey Storch]

[FBIS Transcribed Text] Moscow February 16 TASS—Russian Security Council Secretary Oleg Lobov reaffirmed a readiness of federal authorities to negotiate "practically at any level" on a peaceful settlement in Chechnya.

Lobov told reporters in the Kremlin today that the current talks between commander of Russian interior troops in Chechnya Anatoliy Kulikov and chief of the Chechen staff Aslan Maskhadov "are proceeding along the lines of the policy generated by the security council's session".

The possibility of the talks must not be lost, but they do not necessarily have to be held at a summit level, Lobov said. The talks should involve the military and Chechen elders if this promises a settlement, Lobov continued.

Commenting on the general situation in Chechnya, Lobov said tension had been defused and peaceful solutions to the crisis found. The Security Council secretary said the talks, now mediated by Ingushetia, should involve possibly more other parties.

The priority now is to proceed to demilitarisation of Gudermes and Argun. Renewal of the conflict in these towns must be prevented by any means, Lobov said.

Lobov did not rule out a possibility of spreading of the conflict over Chechnya-adjacent Dagestan, where some units of Chechen fighters are hiding. However, Lobov stressed that he had no evidence that Dudayev's elite units went to Dagestan.

Security Council Denies Russians Given Priority in Chechnya

LD1602130195 Moscow ITAR-TASS World Service in Russian 1206 GMT 16 Feb 95

[FBIS Translated Text] Moscow, 16 Feb, ITAR-TASS—The press service of the Russian Federation Security Council has passed the following notice to the ITAR-TASS news agency:

On 16 February IZVESTIYA has reported, citing "well-informed sources in the State Duma," a document allegedly drawn up by Oleg Lobov [secretary of the Security Council] and signed by the head of state saying, according to the newspaper, that all structures engaged in clearing up the aftermath of the Chechen conflict are to give priority to the Russian population of Chechnya in all cases—in the distribution of humanitarian aid and in allocating posts in the re-established local administrations.

The press service of the Security Council is authorized to inform the mass media and the public that there is no such document.

It is regrettable that IZVESTIYA has put out a report misinforming the public, all the more so since in terms of its content and thrust this report could incite ethnic strife, hatred, and enmity.

Security Council Merely 'Consultative Body'

MM1602120195 Moscow IZVESTIYA in Russian 16 Feb 95 p 4

[Interview with Russian Security Council Deputy Secretary Valeriy Manilov by Valeriy Vyzhutovich; place and date not given: "The Security Council and the Politburo Have Nothing in Common. Russian Security Council Deputy Secretary Valeriy Manilov's Exclusive Interview with IZVESTIYA Observer"—first two paragraphs are introduction]

[FBIS Translated Text] You present your pass three times. The last time on entering the lowest of three carefully guarded floors housing the offices of around 160 staff who make up the Security Council apparatus. You can only go up to the other three floors from here—and from nowhere else—by special elevator. This secrecy, which is increasingly typical of Russian politics as a whole, does not seem to be quite as emphatically significant anywhere else as it is here.

From the December salvos on Groznyy to this day the acute public interest in the Security Council's work has been met only with the dry fare afforded by government mouthpieces. IZVESTIYA's exclusive interview represents the first public statement by one of the Security Council apparatus' top leaders on the "Chechnya" topic. And the first attempt to talk about the growing special role of the Security Council in governing the country, which observers have noted.

[Vyzhutovich] Comparing the Security Council with the Politburo is a popular pastime. The same "collective responsibility." The same nonsubordination to organs of power and society as we knew in the past. And the usual lack of information about what is going on behind tightly closed doors.

[Manilov] There is no Politburo in the Kremlin, believe you me. All the talk about this stems from ignorance of the Security Council's true functions and false interpretations of its status. Let us start by saying that the Security Council is a legitimate organ, set up on the basis of the Russian Constitution and operating in line with the Law "On Security." It is a collegial, consultative body. And it works not on its own but in close cooperation with other structures of the state and society, forming the unified national security system. However, priority in ensuring security is given to implementing and not just to defending Russia's national interests, as was the case before and as I know in particular from my own career. [Manilov ends]

Valeriy Manilov was born in 1939 and graduated from Odessa's Combined Arms Command School and two military academies. He has served in various posts in the troops and the central apparatus of the USSR Defense Ministry. He took part in combat operations in Afghanistan. In 1989 he was appointed chief of the USSR Defense Ministry Information Directorate. In 1992 he headed the CIS Joint Armed Forces Information Service, Since 1994 he has been deputy secretary of the Russian Federation Security Council. He is a colonel general and a candidate of philosophical sciences.

[Vyzhutovich] If the Security Council is only a consultative organ, why are its decisions binding?

[Manilov] Because they are the president's decisions. The Security Council—I am quoting the law—"prepares the Russian Federation president's decisions in the sphere of ensuring security."

[Vyzhutovich] So, Boris Yeltsin alone—and no one else—is responsible for what is happening in Chechnya?

[Manilov] I would not put it so categorically. Each Security Council member's responsibility for the decisions adopted is of course implied. [Manilov ends]

The Security Council today comprises the following: President Boris Yeltsin (chairman); Prime Minister Viktor Chernomyrdin; Security Council Secretary Oleg Lobov; Federation Council Chairman Vladimir Shumeyko; State Duma Chairman Ivan Rybkin; Vice Premier Sergey Shakhray; Defense Minister Pavel Grachev; Internal Affairs Minister Viktor Yerin; Sergey Shoygu, head of the Ministry for Civil Defense Matters, Emergency Situations, and the Elimination of Natural Disasters; Foreign Minister Andrey Kozyrev; FCS [Foreign Counterintelligence Service] Director Sergey Stepashin; Federal Border Service Head Andrey Nikolayev; Foreign Intelligence Service [FIS] Director Yevgeniy Primakov; and Finance Minister Vladimir Panskov. The first five—the permanent members of the Security Council—have a full vote. The rest have consultative votes.

[Vyzhutovich] Nonetheless the Security Council does have some powers of authority.

[Manilov] Only when it comes to coordinating the activity of the state organs responsible for national security.

[Vyzhutovich] Are the hopeless assault on Groznyy, the tremendous losses on both sides, the incalculable civilian casualties, and the obvious failure to prepare the whole army operation the result of the Security Council's efforts at coordination?

[Manilov] No. The Security Council coordinates the work of the power departments in respect of political and strategic objectives but does not interfere in their functions or their operational activity.

[Vyzhutovich] Society still does not have information as to who has spoken at the Security Council and said what, yet the council has been in session on many occasions over the past two months. Was the decision to send in the troops to Chechnya unanimous?

[Manilov] Let me clarify: There was no decision to "send in" the troops. Nor could there be. That is wording used to determine actions against a foreign territory. But Chechnya is part of Russia. This territory is our own, Russian territory. The decision was adopted to restore the operation of the Russia Constitution there. It was adopted at a time when a national-extremist regime's attempts to excise a part of Russia had reached a limit and threatened national security.

So, the decision to restore constitutional order in Chechnya, like any Security Council decision, was born out of careful discussion, a clash of varying viewpoints. Security Council members gave plenty of thought to ways of resolving the Chechnya crisis. But I would not say that there were any disagreements here. Moreover, however trenchant the debate, the Security Council's decision are adopted by consensus. [Manilov ends]

According to Kremlin sources, FIS Director Yevgeniy Primakov opposed the strong-arm operations in Chechnya. Yuriy Kalmykov, who immediately resigned as justice minister, was also opposed to them. Foreign Minister Andrey Kozyrev also wavered in choosing this means of "restoring constitutional legality."

[Vyzhutovich] What is the mechanism for drafting Security Council decisions? If the apparatus prepares the drafts of these decisions, do you know in advance how the session should end and what kind of "consensus" its participants should reach?

[Manilov] We prepare draft decisions based on all-around information and scrupulous analysis. At the same time we use reports provided by ministries, departments, and various state and public structures. We involve everyone who is needed in a particular instance.

[Vyzhutovich] Do the federal troops' actions in Chechnya accord with the Security Council's strategic directives?

[Manilov] These actions still need to be analyzed and assessed in detail. The strategic directive formulated 29 November and confirmed at other Security Council sessions consists in clearing Chechnya of bandit formations and restoring constitutional law and order in the republic. At the same time from the very outset along with the use of force as an enforced but necessary measure the Security Council has envisaged making active use of every opportunity to switch the process to a peaceful footing. The fact that this has not happened is the fault of the leaders of the unconstitutional regime that seized power in Chechnya.

[Vyzhutovich] There has been an official announcement regarding the "end of the military phase" of the Chechnya operation. However, according to Russian and foreign news agencies, Army subunits are still involved in combat operations in Chechnya. The Russian troops are using aircraft, artillery, and mortars. In short, a full-scale war is still under way. Does this mean that the military are blatantly disregarding the Security Council's decision or interpreting it freely?

[Manilov] MVD [Ministry of Internal Affairs] Troops have been given responsibility for completing the operation to disarm the bandit formations. Army subunits are being involved where necessary. In terms of the scale and nature of the combat operations the current phase of the operation is nothing like December or even parts of January. Direct clashes are now localized, since the bulk of Dudayev's heavy arms and hardware has already been destroyed and the scattered guerrilla groupings have lost their unified command.

[Vyzhutovich] What are your sources for that information?

[Manilov] The most competent—the FCS, MVD, Defense Ministry, and the Ministry for Civil Defense Matters, Emergency Situations, and Elimination of Natural Disasters.... What is more, the Security Council has hundreds of letters to the president....

[Vyzhutovich] What do these letters tell you?

[Manilov] That, regrettably, not all citizens have a reliable idea of the situation in Chechnya. Many letters display confusion and often contain calls for an immediate cessation of hostilities.... That is a normal psychological reaction to pain, bloodshed, and death. But I must point out that the public attitude to events in Chechnya is changing. I judge this not from poll data, which are always relative because the answers they contain are, like it or not, "programmed" by the way in which the question is asked, but by countless letters to the president and the Security Council. Whereas in December two out of 10 writers did not back the military operation in Chechnya, now there are roughly the same number of people for and against. [Manilov ends]

According to a January poll conducted among the rural and urban population by the "Public Opinion" Foundation, one in two respondents condemn the federal Army's actions in Chechnya and one in five approve them. The majority (88 percent) of the respondents who condemn the Russian troops' actions are opposed to the armed invasion of Chechnya altogether, and only 6 percent take a positive view of it. A third of respondents assess the Russian Army's combat readiness as poor or very poor, while 14 percent see it as good or very good.

[Vyzhutovich] How do you regard the steady expansion of the Security Council? It already has 14 officials on it. However, the Law "On Security" restricts the number of permanent members of the Security Council to the president, the vice president, the first deputy chairman of the Supreme Soviet, the chairman of the government, and the secretary of the Security Council.

[Manilov] That norm is superseded by the Constitution, which, as you know, has direct application. I would remind you that the fundamental law gives the president the right to appoint any official as a member of the Security Council.

[Vyzhutovich] The speakers of both parliamentary chambers—Vladimir Shumeyko and Ivan Rybkin—were recently appointed permanent members of the Security Council. So the leaders of the legislature are henceforth working in the same body as representatives of the executive. Do you not see that as a violation of the principle of separation of powers?

[Manilov] I do not think that this principle should be fetishized. You will agree that there are plenty of problems which require collective discussion. There are situations where it is simply essential to consolidate the efforts of everyone who adopts state decisions, no matter to which branch of authority those officials belong. I am convinced that having Vladimir Shumeyko and Ivan Rybkin join the permanent members of the Security Council will only be to the good.

[Vyzhutovich] Reports have leaked out regarding a reorganization of the Security Council. A new structure for it has allegedly been approved. The intention seems to be to make the Security Council responsible for coordinating the activity of the power departments alone, excluding problems of environmental safety, health, etc. from its competence. If that is the case, the role and powers of the Security Council will grow considerably. How well-founded is the talk of this impending reform?

[Maninov] There is no question of any reform of the Security Council as a constitutional organ. It is merely its apparatus that has been reorganized. The aim being to boost efficiency while reducing the number of staff. In particular a Security Council Support Directorate has been set up. Its main function is to make arrangements for Security Council sessions, prepare material for them, and supervise the fulfillment of decisions. This work is important and essential but does not by any means change the Security Council's role and place in governing the state.

[Vyzhutovich] Why has a national security concept still not been adopted, even though it has been being worked on since last July? Is it true that an apparatus struggle is being waged over it, roused by the desire to subordinate the national security concept to transient political interests?

[Maninov] There is no struggle. Calm, extremely responsible work is under way. It is, after all, very difficult to formulate Russia's national security interests, draw up a hierarchy, and make provision for a mechanism to implement and defend those interests. A document is needed that gives a clear idea of Russia's place and role in the modern world and lays down guidelines for the steady development of the individual, society, and state. I expect work on it to be complete by mid-year.

New Law Enshrines Security Service's Broad Powers

MK1602111095 Moscow SEGODNYA in Russian 16 Feb 95 p 1

[Report by Petr Zhuravlev: "Front Sign on Lubyanka Will Be Changed Again"]

[FBIS Translated Text] Sergey Stepashin's department is apparently in its last weeks under its current name. In any event, the draft law "On Russian Federation Federal Security Service Organs," adopted yesterday in second reading in the State Duma, envisions renaming the Federal Counterintelligence Service [FCS] the Federal Security Service [FSS]. Judging by the fact that after the bill was adopted in first reading last November, three representatives of the presidential staff have taken part in reworking it, the Kremlin presumably agrees to such a change.

Under the new law, FSS activity is directed by the president and the government, and is overseen by the head of state, the cabinet, the Federal Assembly, and, of course, juridical bodies. Supervision over the implementation of laws by the FSS, as is usual in such cases, is entrusted to the General Prosecutor, but his jurisdiction does not include "information about the sources, methods, organization, or tactics" used by counterintelligence people or "persons providing their assistance." True, the law says that "the state guarantees the observance of human rights and civil liberties in the process of the FSS' exercise of its activity."

Counterintelligence, intelligence, and crime control are cited as the FSS' three main areas of work. The "organs" have the right to "conduct inquiry and preliminary investigation" on matters of espionage, terrorist activity, organized crime, corruption, illegal arms and drug trade, and so forth, and also the right to "expose, avert, and curb the activity of illegal armed formations, criminal groups, persons or public associations aiming forcibly to change the constitutional system." The FSS has is own detention facilities. In other words, the new law shows that the advocates of a single investigation directorate and a single penitentiary system are so far outnumbered.

Some provisions of the draft reflect the struggle between its authors and human rights champions. Thus, on one hand, the law says that "the exercise of counterintelligence activity affecting the secrecy of correspondence, telephone conversations, postal, telegraphic, and other messages" is allowed only by a court decision. On the other, in spite of the rather sharp criticism made some time ago, the text retains a provision whereby an FSS officer may without hindrance enter "citizens' living quarters" if "there is sufficient reason to suppose that a crime is being or has been perpetrated there... or if pursuing persons suspected of committing a crime," or if "delay could endanger the life and health" of other people.

The text also has some obvious inconsistencies. The Constitution does not say a word about oversight over counterintelligence activity on the part of parliament. Let us hope that this omission will soon be rectified. The Administrative Code now in effect does not empower the "organs" to effect administrative detention, as provided for under the new law. This obstacle is easy to remove, however.

In conclusion, it needs to be noted that the FSS is proclaimed successor to the FCS and that the adoption of the law should not lead to a purge or reassignment of current staffers or any "organizational-personnel measures."

Stepashin Establishes Contacts in N. Caucasus

LD1602134195 Moscow ITAR-TASS in English 1307 GMT 16 Feb 95

[By ITAR-TASS correspondent Mikhail Shevtsov]

[FBIS Transcribed Text] Moscow February 16 TASS—Chief of the Russian Counterintelligence Service Sergey Stepashin has stepped up activity in establishing contacts with Chechen officials in search of variants of the possible settlement of the conflict in the region.

Sources in the service's public relations department told ITAR-TASS today that Stepashin on Wednesday [15 February] met with the elders of Chechnya's Nozhay-Yurt district and officials from the city of Houdermes [name as received].

The elders of the Nozhay-Yurt district told Stepashin that work was underway in the area to restore local bodies of power and government.

The elders declared that there were no unlawfully armed gangs on the district's territory but warned that, as peaceful civilians, they were unable to ward off all groups of Dudayev militants seeking to penetrate the area.

Also on Wednesday, Stepashin met officials from the Chechen city of Houdermes in the Dagestan village of Kizilyurt. The officials informed the head of the Russian Counterintelligence Service that the situation in the Chechen city might go beyond control at any moment because it was flooded with aggressive militants, including criminals who engaged in robbery and killing of peaceful civilians.

According to the same officials, two people were killed in an armed clash unleashed by Dudayev militants during an anti-Dudayev meeting held in Houdermes a few days ago.

The officials also said Dudayev supporters were working to turn the city into a fortress and its inhabitants into hostages in case federal troops launched missile strikes or begin to bomb the city.

After the meeting Stepashin declared that the Moscow leaders were sticking to a policy aiming to deescalate tension in Chechnya and put an end to combat actions there as soon as possible.

"The Russian leadership's legislative edicts concerning amnesty for those who surrender and lay down arms of their own will is effective as before," Stepashin was quoted as saying in the Dagestan village of Kizilyurt after the meeting with Houdermes officials there.

He also declared that the command of the federal forces in Chechnya had no immediate plans for missile strikes and bombing of Houdermes, the Chechen city 30 km east of Groznyy.

Stepashin pointed to the need for restoring transport access to Houdermes, primarily by rail, in order to deliver humanitarian aid cargoes to its inhabitants.

Stepashin's meeting with Houdermes officials was attended by the chairman of Dagestan's parliament, chairman of the Council of Ministers, Interior Ministry and the republic's general prosecutor.

After the meetings in the Northern Caucasus on Wednesday, Stepashin flew to Moscow, which he left again for the Northern Caucasus on Thursday.

Shumeyko: Federation Council Set To Boost Role of Regions

LD1702111095 Moscow ITAR-TASS in English 1035 GMT 17 Feb 95

[FBIS Transcribed Text] Moscow February 17 ITAR-TASS—The term of both chambers of the Russian federal parliament expires this year but the laws laying down the procedure of forming the upper chamber, the Federation Council, and of electing deputies to the State Duma have yet to be promulgated, Federation Council chairman Vladimir Shumeyko said in the Kremlin today.

Addressing the national conference convened to discuss realisation of constitutional provisions for local government and bodies of state authority in the component parts of the Russian Federation, Shumeyko said it would be undemocratic to hold the forthcoming elections on the basis of presidential edicts.

The balance of constitutional powers of the Federation Council and the State Duma on one hand and the federal executive structures on the other is not in line with the objectives of federation building in Russia, Shumeyko said.

This brings about constitutional impasses and makes the search for ways out of such impasses ever more difficult, Shumeyko pointed out.

A situation of this kind arose when a package of federal laws came up for consideration by the chambers of the Russian federal legislature, Shumeyko recalled. He meant the law on principles of division of authority between the federal bodies of state authority and the bodies of state authority in the component parts of the Russian Federation, and the law on local government.

He said a way out of the impasse required cooperation and not confrontation between separate branches of power, the latter being the case in separate regions.

Shumeyko called for enhancing the role of the Federation Council, which, in his view, would strengthen the impact of the regions on the state building process as a whole.

National Political Leaders Answer Media Questions

LD1602140595 Moscow INTERFAX in English 1158 GMT 16 Feb 95

["Exclusive" report No. 7 (109) of 16 February 1995]

[FBIS Transcribed Text] The leader of Russia's Democratic Choice party and the head of Russia's Choice group in the Duma YEGOR GAYDAR has answered a number of questions from publications and broadcasting companies operating from the Volga to the Far East. His replies were circulated along Interfax channels. Here is what he had to say:

QUESTION from Tikhookeanskaya Zvezda newspaper, Khabarovsk: you were one of the first politicians to lash out against the form of resolving the Chechen problem. Did you have any other alternative than suggest sitting down to the negotiating table?

GAYDAR: The experience of the past fifty years has fully confirmed the correctness of Napoleon who said that it is possible to do many things with bayonets but not sit on them. All attempts made in the second half of the 20th century to resolve ethnic problems by force failed completely. Effective integration was always based on a stable economy and currency, on interest in a common cause. No attempt to bring Europe together by bayonets or tanks during the past two centuries succeeded. Peaceful work to build a common market during the past few decades slowly but steadily leads to European unity.

The disintegration of the Soviet Union in 1990-1991 began with the degradation of the army, the CPSU and KGB that kept the country together. The collapse became irreversible with the adoption of the resolution on the sovereignty of the Russian Federation which was supported by everyone, including Communists, by the way. It continued with the declarations of sovereignty by autonomous republics of which Chechnya was one. It ended when we got August 19, 1991, the attempt to introduce a state of emergency instead of signing the Union Treaty.

It was then that politicians faced the strategic problem: how to guarantee the unity of Russia, how to prevent Russia from following the footsteps of the Soviet Union.

In 1991 the USSR actually fell into 16, not 15 parts because in autumn 1991 Chechnya became independent de facto. A region of Russia actually split away from it and federal bodies lost all control over its.

There are many reasons why Chechnya, not any other of the 89 territories of Russia chose this road. They were related to the tragic deportation of the Chechens in the 1940s, its national traditions, the economic situation which gave its leaders hope that oil extraction and refining would offer a solid foundation for independence.

Chechnya is an inseparable part of Russia. I do not think that any Russian government now or later will agree to officially recognize its independence. The country's leadership is facing another fundamental problem: how to work for Chechnya's reintegration in Russian power structures, how to prevent other Russian territories from following its example, what to do to make integration prevailing in the former Soviet Union.

There were attempts to resolve the problem by force. You know what they ended up with. At the beginning of November 1991 a decree introducing a state of emergency in Chechnya was signed. Vice- President Aleksandr Rutskoy energetically drew red arrows on the map to show troop movements that should have enforced the state of emergency. A day later it was discovered that troops were not going there or were going unarmed. The 330 Interior Ministry troops taken to Grozny were immediately blocked. In a word the shameful failure of the adventure became absolutely evident by November 10. The parliament was forced to cancel the decree.

The main question raised by the deputies was: who should be held responsible for the failure? While earlier someone could have had certain illusions about the possibility of keeping regions in the federation by force, they should have disappeared after November 11, I think.

The only way to keep the integrity of Russia, to promote integration is to guarantee the effective operation of a free market economy.

Despite all the great problems and inconsistencies on this road at the beginning of 1994 it became clear that the Russian market mechanism is working and producing results. At the same time the Chechen economy was falling apart. The oil refinery to which great hopes had been pinned was functioning at 15 percent of its capacity. Oil extraction dropped to one quarter. Pensions were not paid, living standards slumped. It was evident that the Chechen economy was unable to function properly outside the Russian economy. As a result, Chechnya became a scarecrow for regions thinking of breaking away from Russia.

It was at that time that the crisis of the Dudayev regime began. The closest associates started deserting the rebellious general. He began losing control over a number of regions: first Nadterechnyy, then Urus-Martan and Argun. Representatives of various opposition, semi-opposition and official circles thronged to Moscow offering to begin talks and improve relations with Russia: it was evident that the continuation of the policy of economic and political pressure combined with constructive talks would have been quite enough to peacefully, gradually, undramatically, but steadily integrate Chechnya in Russia's constitutional space at least according to the pattern developed with Tatarstan. It was this option that I always suggested. I am absolutely convinced that with political will and basic skills, it could have been carried out.

Unfortunately, Dudayev's extreme weakness was provocative. If he is so weak, why negotiate? Let us send one regiment of paratroopers and restore order in two hours. This will be much more impressive and effective and offer strong arguments in favor of a powerful Russian state. If anyone won from the use of force, it was Dudayev. From a bankrupt politician losing control over his territory he turned into a national hero overnight. His support grew not by a few percent but manifold.

QUESTION from Khabarovsk television: the developments in Chechnya did not add influence to the Russian democratic movement. Are you not concerned about the future of the party you head?

GAYDAR: No, I am not. Naturally the need to strongly resist the policy pursued by the president in Chechnya became a severe test for Russia's Democratic Choice. We had supported Boris Yeltsin, cooperated with him, not always agreeing with him, but finding it necessary to use the existing potential for defending democracy and continuing economic reforms. That is why at first we tried to explain the enormous risk involved in attempts to use force for resolving the Chechen problem. Unfortunately, these calls were ignored.

According to nation-wide polls, a considerable majority of Russians disapprove of the policy pursued currently in Chechnya which proves that common sense in Russia is still quite strong.

QUESTION from Suvorovskiy Natisk, a newspaper of the Far Eastern military district: Contradictory reports come from Chechnya. Which sources do you use most often?

GAYDAR: I try to use all the information coming along Russian official channels and the media. And naturally I actively use the information from our supporters working in Chechnya, Ingushetia and meeting local residents and Russian soldiers and officers.

Honestly speaking I rely more on reports coming from our colleagues in Russia's Choice directly from the site.

QUESTION from Yekaterinburgskiye Vedomosti newspaper: the developments in Chechnya have shown that the Russian army is feeble and requires radical change. How much do you think the country's leadership is ready for such reforms?

GAYDAR: In Chechnya the army was given alien tasks. An army in a democratic country is never formed for involvement in a civil war, for hostilities in its own territory against part of its own people. This is a terrible trial for any army. Ours is no exception.

At the same time the operation demonstrated the amazing incompetence of several top commanders. Beginning with 1992 we have been speaking of the need for a serious army reform. The fact that it has not been launched and that even the discussion of the subject after 1993 has been unfashionable caused the current deep strategic problems with Russia's defence capability and economy.

The army the Soviet Union had could exist only in a totalitarian political system with an economy controlled through administrative methods when the nation was made to channel half of its resources to military needs. In conditions of democracy and a market economy this is impossible in principle. Hence the army is short of money. The Defence Ministry is incapable of paying for military orders or standing by its social security commitments. At the same time the army continues to demand almost half of the money collected by the treasury. This giant burden is dragging down the Russian economy, keeping it from rising and consequently the burden of military spending is growing heavier and heavier. That is why the formation of an army adequate to our current tasks and possibilities, to our demographic potential is becoming a strategic task for Russia as a whole, not just the armed forces.

If the national leadership copes with it, there are chances to guarantee the growth of economic standards and simultaneously get a smaller army free from such a number of parallel structures but with a better combat capability and social security. This is the essence of the military reform program worked out by Russia's Democratic Choice.

QUESTION from Na Smenu newspaper, Yekaterinburg: the Chechen developments clearly demonstrated the split in the camp of democrats. Formerly similar movements and politicians found themselves on different sides of the barricades. Is it possible to overcome the split by the coming elections?

GAYDAR: Such an extraordinary event as war inevitably changes the political landscape, forming new alliances and separating old friends, unfortunately. This is a political reality and it should be recognized.

For instance, during the past two months Russia's Choice and Yabloko groups in parliament have improved their relationship. We hold common views on many fundamental matters and support each others' draft laws. I think that such interaction is a potential foundation for work in the coming elections.

It is a pity that a number of politicians whom we traditionally considered our potential allies have taken a stance that objectively undermines the stability of market mechanisms and democracy, even Russian unity.

Still we have not lost hope that the evident consequences of the current policy from strength will make our former allies look truth in the eyes and recognize that the course they support leads to totalitarism. Then I think cooperation with them will be possible again.

QUESTION from Severny Kray newspaper, Yaroslavl: We disagree with Gaydar's stance on Chechnya and support the president because a government is respected only when it is strong. Gaydar agrees with that, we suppose. But how can he explain his point then?

GAYDAR: A government is respected when it is not simply strong but also reasonable and effective. During the past two months the Russian leadership having chosen the policy it has been using with regard to the Chechen crisis has showed that its behavior is hardly predicable. One gets the impression that the government itself does not realize the consequences of its decisions that result in the loss of blood by thousands of Russian citizens. In my opinion this has delivered a most serious blow to the authority of the Russian government and the

Russian state system. Half a year ago in this country and abroad it enjoyed much more respect.

QUESTION from Zolotoye Koltso newspaper, Yaroslavl: We know Gaydar as an uncompromising person and flexible politician. Isn't he afraid of collecting few votes in the coming elections due to his current confrontation with Boris Yeltsin over Chechnya?

GAYDAR: The stance taken by Russia's Democratic Choice on Chechnya was not prompted by election considerations but our understanding of what is good for Russia. I am convinced that a military solution does irreparable damage to the well-being of Russians and the integrity of the country.

Every bomb dropped on Chechnya is a bomb dropped on the integrity of the Russian state. That is why I am ready to defend my point whether it meets current election interests or not.

QUESTION from Priamurskiye Vedomosti newspaper: What are the election prospects of Russia's Democratic Choice?

GAYDAR: The differences between leaders of democrats in Moscow interest few people in Russia. In my opinion very much depends on the ability of democrats to unite and form a sufficiently broad coalition. We are now working to build such a coalition. We have made concrete proposals to our partners on ways of achieving that. I strongly hope that in this case common sense will prevail.

From experience we know that Russian democrats cooperate more or less effectively only in critical or dangerous conditions. We are in such a situation now. People realize the danger of the attempts to seize power by those who are capable of dragging the country into adventures in foreign policy and economy.

QUESTION by Sverdlovsk State TV: Boris Yeltsin stated at the beginning of last year, that the government lacked a clear-cut regional policy and that such a policy was still to be shaped. And yet, the regions still have doubts, increased by the events in Chechnya, about the government's ability to produce a reasonable and sensible policy in relation to the regions. Do not you think that in such a setting the president may lose the support of the regional elites?

GAYDAR: In Russia the policy of "real federalism" is the only acceptable regional policy. In fact, we have a unitary state in which the budget of a region, located thousands of kilometers from Moscow, is shaped for a few months during talks between the local leader and Russia's deputy finance minister. The well-being of the regions depends on the Moscow corridors of powers rather than on economic common sense.

Federalism implies the transition to a situation whereby sources of federal and regional revenues, the spheres of responsibility and mechanisms of financial support are clearly defined. The first steps in this direction were made at the end of 1993 and at the beginning of 1994. Unfortunately, the scheme of inter-regional financial support still lacks common sense. For some inscrutable reason, the Krasnodar territory, Stavropol, and the Rostov region have found themselves in the group of the most 'needy' regions. And 'the richest ones' are Murmansk, Vologda, Yekaterinburg, Perm and Chelyabinsk, which act as 'donors' in relation to the "poor" south. We shall try to adjust this distribution scheme in 1995. This is one of the basic tasks of our party. I am convinced that only by coordinating economic interests can one preserve Russia's unity. The attempts to strengthen it by force of arms are doomed.

QUESTION by the newspaper Va-Banque Yekaterinburg: After Viktor Chernomyrdin's speech in parliament last autumn, many thought that the government had finally realized the importance of tough reforms. Was it just one more misunderstanding?

GAYDAR: The Russian economy has a great power of inertia. Like a heavy truck it has a long braking distance. In the spring of 1994, the Russian government opted for a dangerous path of vacillation and compromises, and weakened the monetary policy. Predictably, the consequences of such conduct made themselves felt at the end of the summer and the beginning of the autumn, bringing in the destabilization of the ruble, sharp inflation jumps and, as a result, undermined chances for industrial stabilization.

Having realized that such a course was hopeless, the government began to talk about the importance of pursuing a tough monetary policy. The draft budget and macroeconomic program for 1995 had serious flaws, but reflected the will and readiness to accelerate the economic reform and move closer to economic stabilization. However, the macroeconomic plan and budget could be implemented in the conditions of peace, not war.

The choice of the military variant in Chechnya has shattered the hopes for improving the situation in 1995. We have paid for it by very high inflation expectations in December and January (of 1995 - Interfax), by an increased inflation rate, by the inevitable rise in the interest rate and by the destabilization of the ruble.

QUESTION by the newspaper Sovetskaya Bashkiria: The sovereignty of the former autonomous republics is a vague thing. Will the war in Chechnya cause the toughening of the economic policies or an increase in the center's political ambitions in relation to the sovereign state entities of the Russian Federation?

And one more question: Not long ago, the farmers' movement was looked upon as the panacea for all troubles in agriculture. Today, the farmers are suffocating in the grip of economic policy, and so do the state and collective farms. Why do you think the government has no clear-cut agrarian policy?

GAYDAR: As I said before, the policy of real federalism, real distribution of incomes, sources of income and responsibility, and real distribution of competence and responsibilities, is the only reasonable policy. I'm convinced that the attempts to restore the unitary state cannot be successful and will not produce any stable result. I hope that the lesson of military confrontation in Chechnya, which has cost us so dear, will discourage the Russian authorities from new adventures of this kind.

The agrarian reform which began at the end of 1991, was actually halted in the spring of 1992, when former vice president Aleksandr Rutskoy was put in charge of it. At the end of 1992 and the beginning of 1993, when leadership in the agrarian sphere was firmly assumed by the Agrarian Party which reflects the interests of the state-farm and collective-farm nomenklatura, all the talk about any systematic work to reform agriculture became useless. Incidentally, the current situation in agriculture is more serious than in any other economic branch.

The country has got faced with two options. The first one is to open the road to the agrarian reform and to create a normal but regulated land market, on whose basis one might create a normal market system of seasonal crediting; promote the development of the financial infrastructure of the agrarian sector; redistribute a considerable part of the capital which does not reach state and collective farms, but settles down in the commercial organizations, and stimulate investment in the processing of agricultural produce. One should also cardinally reorganize state and collective farms, and eliminate the divisions which are financed from the budget and have to do with the communal needs, thus depriving the managers of state and collective farms to use such a powerful pressure mechanism as the possibility to switch off electricity and heating, to ration firewood or to banish people from their homes. One must begin a serious reorganization of the bankrupt collective farms. Only on this basis can one lead Russian agriculture out of the crisis.

The second option is to go on supporting state and collective farms, to prevent the development of market relations in the countryside, to make farmers beg for state credits and for permit to have one's debts written off, to declare a war on the social sphere and insist on the redistribution of the shrinking budget for the sole purpose of barring reforms from agriculture and for saving modern feudals.

This is the program advocated by the party of landowners which is unfairly called the party of agrarians.

QUESTION by the newspaper Samarskiye Izvestia: You have been using the expression "the party of the war" fairly often lately. Can you name the leaders of this party?

GAYDAR: In my opinion, the "party of the war" is a coalition of two parties: "the party of the fools" and "the party of the provocateurs". To be frank, I would not like to give any names because I can easily mix them up.

QUESTION by the newspaper Povolzhskaya Kommuna (Samara): Are you well aware of the rating of the Democratic Choice of Russia party in the regions? What are its political prospects?

GAYDAR: Naturally, we are closely following the situation and hold opinion polls. The results differ in different regions. We draw the biggest support in the Urals, in the North of the European part, in the North-West and in the Central regions. In the south the situation is more complicated.

QUESTION by the newspaper Nizhegorodskiye Novosti: What in your opinion was your greatest achievement in 1994?

Journalists often refer to the Nizhniy Novgorod Region as the outpost of the Russian reform. Do you share this belief?

GAYDAR: For the first time ever an efficient democratic party which can become the democrats' foundation during the forthcoming elections, was set up in 1994.

Now your second question. Undoubtedly, the Nizhniy Novgorod region is one of the regions in which the reform has made more impressive advancement than elsewhere in the country. I am glad it was a testing ground for the International Financial Corporation, where ways of privatizing small businesses and mechanisms of the agrarian reform were tested. I am convinced at the same time that it is impossible to build developed capitalism in one region. Some regions have outdistanced Nizhniy Novgorod, while others are lagging behind.

QUESTION by the newspaper Izvestia Tatarstana: You led the government at one time and opposed it at another. Aren't you disappointed with the model of reform which you advocated and tried to implement? And the second question: Local politicians and media often talk about a model of Tatarstan and even about Tatarstan's example when problems of reforming Russia are discussed. How would describe this model and its role for the future of the Federation?

GAYDAR: The experience, amassed by Russia and other countries which earlier constituted the Soviet Union, shows that the more consistent was their advancement along the road of reform, the more stable was the economic status of the regions. On the contrary, the stronger was the grip on the elements of the old and disintegrating system, the more economic problems arose.

This can clearly be seen if one compares the nature of the reform (or their absence) and the economic situation in Estonia and Belarus, Latvia and Ukraine, Lithuania and Kazakhstan. Russia has found itself in an intermediate position, he writes. Moscow began to move along the path of reforms. Therefore, the ruble is still convertible and the stores are filled with goods. Unfortunately, this movement was interrupted halfway.

No about the specific economic model of Tatarstan. It developed under the impact of Tatarstan's special status in the Russian Federation. Without Russia, everything Kazan did would have inevitably led the Kazan economy to chaos, similar to the chaos in Kazakhstan, namely, low average wages and a serious financial crisis. However, the economy of Tatarstan has enormous advantages. It was part of the Russian market and could rely on the solid Russian ruble. Concurrently, for a number of political reasons, Tatarstan secured the rights which other Russian regions did not have.

I was often reproached that the agreement between Russia and Tatarstan created special conditions for Tatarstan's economy during its entry of the market. Partly, I accept the criticism, particularly when it comes from the Russian regions which have to get adjusted to the market in far more difficult conditions. And yet, the main goal of that policy was to avoid tough ethnic confrontation, to prevent military conflict and gradually integrate Tatarstan with Russia's single economic and legal system.

QUESTION by the newspaper Gorodskiye Novosti (Yaroslavl): In the last issues of 1994 we published the chapter "The Nomenklatura Privatization" from you book "The State and Evolution". Why are your party and you personally talking about the outrages committed in the sphere so late?

GAYDAR: The book has just come out and provides answers to many questions, including this one.

The privatization program is strongly criticized. Some argue that property was given out almost for free. He writes that the political forces which advanced such arguments, including the communist faction, got the government-proposed privatization program radically reviewed during the parliamentary session in the spring of 1992.

The majority of the deputies categorically forbade the government and the State Property Committee to raise the price on the privatized property. The same people proposed the so-called second variant of privatization which was opposed by the government, but which gave worker groups the privileges severely criticized now. We patiently explained in parliament and in the press where this would lead us. Alas, they were stronger then. But now that privatization develops according to this scheme, the authors of those ill- conceived amendments are shifting the blame on us. Well, this reflects their political moral standards.

QUESTION by Yaroslavl City TV: By agreement with the administration of the Yaroslavl Region, the Institute of the Economic Problems of the Transitional Period, which you are heading, was to work out a program for the socio-economic development of the region, for a solid reward. The program has not been worked out to this day. What is available, is individual projects for local enterprises, proposed by your researchers. The city residents' hopes that foreign investments will back your authority have not been justified. How would you comment on this?

GAYDAR: Since the day when the Yaroslavl Regional Administration asked us for consultations and assistance, I have been saying that we are not engaged in drafting plans for the creation of developed capitalism in a separate region. We can analyze an economic policy, reveal the most serious problems and mistakes, set forth structural priorities and propose projects which should be supported in the first place. This is what our institute and my colleagues in the Yaroslavl Region were oriented to.

As a result, the administration took the decision to support a number of vitally important projects, including the project for small-scale housing construction on the basis of the know-how provided by the French company Phoenix. An agreement was signed and credits were given.

We proposed that the budget be not spent on many investment projects, but be concentrated on a limited number of the most efficient ones. These include the projects of the Photokhimproekt research institute in Pereslavl and the Kholodmash plant. Naturally, our researchers worked on the economic part of the said projects.

We also worked on five other projects, including the ones for the reconstruction of the hotel Druzhba and for the production of magnetic carriers with a super-high density of recording (the joint- stock company Slavich) to be financed by legal entities and individuals.

We have provided potential investors with projects for the production of compressors by the joint-stock company Kholodmash, for the output of polymer pipes by the design bureau Luch, for the construction of patrol and fishery vessels by the joint-stock company Vympel and the extraction of silt from Lake Nero.

The task of attracting foreign investment is a difficult task which requires an atmosphere of trust, mutual understanding and predictability. The best argument for a foreign investor is a reasonable investment project meeting the world standards and supported by the local authorities. I am convinced that if the administration of the Yaroslavl region sticks to this path, many of the said projects will find their investors in Russia and abroad.

Zhirinovskiy Calls For Russia's Self-Isolation

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1606 GMT 16 Feb 95*

[FBIS Transcribed Text] MOSCOW, Feb 16 (Interfax)—The Russian president's state of the nation address to parliament will have been forgotten by the end of the day, LDP [Liberal Democrtic Party] Leader Vladimir Zhirinovskiy said at a news conference on Thursday afternoon. He said the LDP-announced plan for the country's self-isolation from five to ten years was far more important.

Zhirinovskiy made it clear that what was meant is not an iron curtain but Russia's shift to self-reliance, winding up food and other imports and better health care and demography. He expressed suspicions that imported food contains disease-provoking additives.

The LDP leader accused "the Western Christian civilization" (the United States and Western Europe) of setting Russia against Islamic countries. In his view, Russia must close its borders, above all with the Baltic states and in the south to stop its wealth from being sucked out.

Of no less importance, he said, is the closure of Russia's Far East, expulsion of hundreds of thousands of Chinese from there and winding up once and for all the subject of Kuril islands by telling Japan it will not get "even an inch of our territory".

He described as useless the idea of holding new presidential and general elections though stressing that the LDP would take part if these take place.

Zhirinovskiy spoke of having handed Counterintelligence Chief Sergey Stepashin and Defence Minister Pavel Grachev two copies of his own message to Yeltsin.

Zhirinovskiy said that when he asked Yeltsin for a possible meeting, he read some fear in the president's eyes indicating that "he is afraid of being overheard by his own team members". "It is useless to attack Boris Nikolayevich who has long ceased to be president" while the country is run by his team in the White House, the Federation Council and the State Duma, and the city administration in Moscow, Zhirinovskiy said.

Kozyrev on Not Being Admitted to Council of Europe

LD1702120595 Moscow ITAR-TASS in English 1151 GMT 17 Feb 95

[By ITAR-TASS correspondent Lyudmila Aleksandrova]

[FBIS Transcribed Text] Moscow February 17 TASS—Russia does not regard as a tragedy the fact that it was not admitted to the Council of Europe, Russian Foreign Minister Andrey Kozyrev told journalists today at the lobby of the all-Russian conference on problems of self-government.

However, Kozyrev continued, it would be better if Russia were a member of the Council of Europe and cooperated with it the way it cooperates with OSCE [Organization for Security and Cooperation in Europe]. OSCE is an organisation, in whose work we are taking part on equal terms and which gives us an opportunity to discuss any problems, including those dealing with human rights. Although OSCE is strongly criticising Russia, criticism is coming from an organisation, in which Russia is an equal member.

So far as the Council of Europe is concerned, Kozyrev believes that "if they want to keep us at an arm's length, we shall also keep them at an arm's length, until we join that organisation."

Federation Council Aide on Regional Self-Government Parley

MM1602185595 Moscow RABOCHAYA TRIBUNA in Russian 17 Feb 95 pp 1-2

[Interview with V. Tarasenko, chairman of the Federation Council Committee for Federation Affairs, the Federation Treaty, and Regional Policy, by Natalya Kuzina; place and date not given: "Regions Request Rights. And They Are Quite Able To Handle Them"—first two paragraphs are RABOCHAYA TRIBUNA introduction]

[FBIS Translated Text] It is today, 17 February, that the regions may be heard. Not only by deputies and officials but also by the state's top man. The president is expected to attend the conference devoted to problems of local self-government. So why such attention to the organization of state and local power in the territories?

Our correspondent's conversation with V. Tarasenko, chairman of the Federation Council Committee for Federation Affairs, the Federation Treaty, and Regional Policy, began with that question.

[Tarasenko] The organization of local self-government is one of the most important tasks for Russia. The reform of state government, which has, strictly speaking, been under way for several years now, did not end with the adoption of the Constitution. Following that it is necessary to change the actual principle and practice of governing the territories. The conference may play a crucial role. The most significant decisions in Russia have always been adopted with the participation of representatives of the whole country and all estates. So now the conference must help coordinate positions. And, most importantly, the federal authorities will hear voices from the localities, will learn firsthand how the regions are reacting to the evolution of Russian society.

[Kuzina] One gets the impression that hitherto the federal authorities have not been very bothered by problems of local self-government. Work on a corresponding law has been "in full swing" for a year now.

[Tarasenko] It is not that legislators are lazy. This may be the first time that people on the State Duma have really realized that they have not had such an opportunity to formulate a law that takes our country's full diversity into consideration. It is impossible to prescribe identical rules of behavior for Tatarstan and the Far East, say, or stipulate how much land or travel costs in each part of Russia. That is why I believe that it is now necessary to encourage lawmaking at local level and then formulate a federal law based thereon.

[Kuzina] But there is also a different view....

[Tarasenko] Of course. The Main Legal Administration, for instance, believes that there should be no corresponding local legal acts before the adoption of a federal law on self-government.

Pro forma that is all quite right. Under the Constitution local self-government constitutes a blend of regional and federal legislation. It is good if that happens, but if it does not we must enable the Federation components to regulate their lives themselves, within the bounds of the Russian Constitution naturally.

[Kuzina] But are the regions ready for this kind of lawmaking?

[Tarasenko] Around seven months ago the Federation Council received the first regional law on local self-government from Yaroslavl. It was then that we realized that there is no rhyme or reason for our lacking confidence in our citizens. They have a real state understanding of Russia's problems and an ability to resolve them. Just think, in order to formulate the law it was necessary to reach mutual understanding between political forces, structures of authority....

We told them that we consider this kind of law good for Russia. We finalized it and sent it to the regions, asking them to examine it as a draft. Now 10 Federation components have already adopted laws on local self-government. Some of the laws are simply brilliant.

[Kuzina] But will the "regionals" nonetheless come under fire at the conference?

[Tarasenko] Is it necessary—that is the question.... Ultimately we can see from the example of local self-government that an individual political personality is coming into being—the citizen. And we cannot do without citizens.

Therefore the main thing for federal organs of power and the executive and legislature should be not to shackle their initiative but, on the contrary, to encourage it in this very same local self-government. If the conference reaches that conclusion, that will be the main result.

Minister for Cooperation With CIS Countries Appointed

LD1602120095 Moscow ITAR-TASS in English 1123 GMT 16 Feb 95

[FBIS Transcribed Text] Moscow February 16 ITAR-TASS—Russian President Boris Yeltsin signed an edict today appointing Valeriy Serov minister for cooperation with the member-countries of the Commonwealth of Independent States.

The announcement about the new appointment was made by the presidential press service.

Military Issues

'Photon' Satellite Launched 16 Feb

LD1602182795 Moscow ITAR-TASS in English 1816 GMT 16 Feb 95

[By ITAR-TASS correspondent Anna Bakina]

[FBIS Transcribed Text] Plesetsk Space Port February 16 TASS—The technological satellite "Photon" was launched by Russian military space forces from the Plesetsk space port at 20:40 today.

The satellite, flown on a "Soyuz" carrier rocket, carries "Ibis" installations, France, and "Biobox" equipment of the European Space Agency.

Details on Sputnik Launch

LD1702105095 Moscow ITAR-TASS in English 1032 GMT 17 Feb 95

[FBIS Transcribed Text] Moscow February 17 TASS—A "photon" Sputnik, designed to continue space and biotechnology studies, was launched on Thursday, February 16, from the Plesetsk cosmodrome by means of a "Soyuz" carrier-rocket.

The Sputnik was placed on an orbit with the following initial parameters: revolution period—94 minutes; maximum distance from the Earth's surface (apogee)—391 kilometres; mininum distance from the Earth's surface (perigee)—228 kilometres; orbital inclination—62.8 degrees.

The sputnik and the "Soyuz" carrier-rocket were designed and built by the Samara central specialised designing bureau and the "Progress" plant under the Russian Space Agency. The launching was effected by the military-space forces of the Russian Defence Ministry.

The programme of the flight, calculated for 15 days, envisages several microgravitation experiments, intended to obtain extra high quality semi-conducting materials and optical glasses with variable refrations, as well as some biological studies.

In addition to Russian equipment, the "photon" will be used to test ESA [European Space Agency] "Biobox" and CNES [French National Center for Space Studies] "Ibis" equipment on the basis of long-term international agreements between the Russian Space Agency, the European Space Agency (ESA) and the French National Centre For Space Studies (CNES).

The Sputnik's equipment is functioning normally. The results of the experiments will be returned to the Earth by means of a retrievable capsule.

Senior Command Backs Policy to 'Radically' Reform Army

LD1602121195 Moscow ITAR-TASS World Service in Russian 1125 GMT 16 Feb 95

[By ITAR-TASS correspondent Andrey Shtorkh]

[FBIS Translated Text] Moscow, 16 Feb—The Russian Army senior command today reiterated its firm policy of radically reforming the country's Armed Forces. Minister of Defense Pavel Grachev told journalists that during a meeting with journalists in the Kremlin the implementation of military reform depends primarily on the amount of finance and a new legislative framework. Given those, he said, the Army will become much stronger.

Asked by journalists for his opinion of some media outlets' critical coverage of the federal Armed Forces' actions in Chechnya, Grachev stressed that it was inadmissable to criticize the Army, which despite being short of money and men is alive and discharging its duty and remaining able to perform any mission.

Grachev also acknowledged that the Army today is not that which we are striving to achieve.

Filatov on National Guard, Internal Unrest

954F1377A Moscow ARGUMENTY I FAKTY in Russian No 7, Feb 95 p 2

[Interview with Sergey Filatov, chief of the Russian president's staff, by Andrey Knyazev, ARGUMENTY I FAKTY correspondent; place and date not given: "The Next Internal War Will be Waged by a National Guard"]

[FBIS Translated Text] **Quite recently this sensation made the rounds—preparations are being made in the recesses of the secret analytical directorate of the President's Security Service for the creation of a national guard in Russia. There was talk about an urge to beget yet another powerful instrument for suppressing democracy inside the country.**

By the way, the idea of the appearance in our country of **national guard** forces does not belong to the so-called analytical directorate. It was first talked about as far back as under **Gorbachev,** when the USSR began to be shaken by internal conflicts. Afterwards it was mentioned when the First Congress of People's Deputies of the RSFSR proclaimed the **state sovereignty of Russia** under the pretext of creating a counterweight to the Soviet Army, which was under the control of the CPSU Central Committee Politburo. The events in the Caucasus once again aroused the authorities' interest in this subject, which was confirmed in our correspondent's interview with **Sergey Filatov,** chief of the president's staff.

[Knyazev] Sergey Aleksandrovich, young men will die in Chechnya, and zinc coffins have already come back to hundreds of families. What do the leaders of the regions think of this terrible war?

[Filatov] The localities view the actions of the federal government with understanding, and they express support for the maintenance of normal constitutional order. How to do this is another matter—whom to entrust, and with what methods to restore order. Here everyone has questions. The question of reforming the army and changing decisionmaking technology did not become critical by accident. Finally, the question arises of the creation of a national guard that would be specially earmarked to disarm powerful armed formations on their land and to cooperate with the peaceful population, which it is necessary to protect. This subject is being raised by many regional leaders.

[Knyazev] Judging by what is happening, you are not protecting the peaceful population very much...

[Filatov] Unquestionably, errors were made in the fact that a special concept for protecting the peaceful population has not been developed. It has a right to be protected, and it is our duty to protect it.

[Knyazev] A lot has been destroyed in Chechnya, and there are an enormous number of refugees. What will happen with these people?

[Filatov] The main question is the restoration of what was destroyed by the war in Chechnya and the creation of maximally acceptable conditions for their return to the homeland. This will be considerably cheaper than setting them up in the oblasts of Russia. The policy of our state on this question is aimed at returning people to their home towns.

[Knyazev] But if, God forbid, something similar happens in another of the Russian republics, will the army and Internal Troops also be dispatched there?

[Filatov] So that this will not happen, we are now examining the question of the creation of a national guard—professional soldiers who are trained and know how to operate.

For Your Information. Such military formations exist in many developed countries; for example, in the United States. They are earmarked for the suppression of major disorders that threaten national security. They are formed, as a rule, on a professional basis, with the inclusion of heavy weapons. This is one of the differences, for example, from police forces.

Federal Assembly

Rybkin Praises 'Utmost Clarity' of Yeltsin's Address

LD1602130595 Moscow ITAR-TASS in English 1208 GMT 16 Feb 95

[By ITAR-TASS correspondent Pavel Kuznetsov]

[FBIS Transcribed Text] Moscow February 16 TASS—Precision in formulating the ideas and the utmost clarity of the head of state concerning a further development of the situation in the country are characteristic features of the annual message of the Russian president to the Federal Assembly, chairman of the State Duma told journalists today.

He stressed that he agreed with the president's idea that the Russian legislation did not keep up with the development of the situation. Rybkin called attention to the fact that many provisions of the legislation, which is currently in effect, run counter both to the Constitution and the Civil Code of the Russian Federation. In the sphere of legislation the State Duma is working at full capacity, he said. Many Duma committees work 14 to 15 hours a day.

In the opinion of Rybkin, the head of state is cooperating most closely with the State Duma in the sphere of law making. 47 out of 90 draft laws, submitted by Yeltsin to the State Duma, have already been adopted.

He stressed he would like the government to work in that direction too. He said (and this was also mentioned in the president's message) that the government dragged out so much the drafting of a law on local self-government that in 56 subject of the federation local government bodies are created on the basis of the territorial and regional legislation, while it is necessary to have a framework federal legislation on that subject.

Further on Rybkin's Comments

LD1602155095 Moscow INTERFAX in English 1421 GMT 16 Feb 95

[FBIS Transcribed Text] MOSCOW, Feb 16 (Interfax)—State Duma Chairman Ivan Rybkin spoke favorably about the speech delivered by President Boris Yeltsin in the Federal Assembly on Thursday. "On the whole, I liked it for being articulate and clear-cut," Rybkin said.

"The report makes it clear that the current year must be devoted to further structuring and regulating of state power in Russia," Rybkin stressed in an interview with Interfax.

At the same time, Yeltsin cautioned against "haste" with such assessments in that the annual presidential address to the Federal Assembly, copies of which have been distributed among deputies, is yet to be studied.

Rybkin agreed with Yeltsin that the law-making process lagged behind the contemporary requirements. He then said that the State Duma "has nearly been exhausting itself out, with many committees working 14-15 hours a day."

"I wish the government would be involved in law-making, too," Rybkin stressed, at the same time accusing the government of "stalling with a local self-rule bill, leading to the fact that in 56 of the 89 territories of the Russian Federation the local self- rule bodies are being formed on the basis of regional and republican legislations."

He promised a more detailed assessment of the presidential message in a speech scheduled for Friday in the Kremlin at the All- Russia Conference on state power in the territories of the Russian Federation and on local-self rule issues.

He reported that the plenary session of the State Duma, slated for that day, would be chaired by his first deputy Mikhail Mityukov.

Speaking on the situation in Chechnya, discussed by Yeltsin in his speech, Rybkin noted that he "optimistically views its development and sees no obstacles to the restoration of peace in the Chechen republic."

Shumeyko Election Bill Derided as Self-Serving

MK1602130095 Moscow OBSHCHAYA GAZETA in Russian No. 7/83, 16-22 Feb 95 (Signed to press 15 Feb) p 8

[Report by Nikolay Troitskiy in the "Heart of the Matter" column: "The Speaker Has Taken Care of Everybody"]

[FBIS Translated Text] Vladimir Shumeyko, speaker of the upper house of the Federal Assembly, has drafted a law "On Procedures for Forming the Federation Council." There is nothing objectionable about this: Vladimir Filippovich, like any deputy, is endowed with the right to initiate legislation. The chief senator, however, has shown his draft neither to his deputies nor to Duma deputies, who are presumably to vote on it, but sent it instead, by special courier service, to the Federation subjects.

Capital parliamentarians did not learn about Shumeyko's draft until they visited their constituencies. Back in Moscow, they began closely to study the project. In the opinion of those who have already had time to read the bill, it is certainly noteworthy.

The text composed by Shumeyko features both laconism and an unbalanced content. The high-level lawmaker, for instance, chose not to indulge in procedural details about the formation of the Federation Council but simply wrote: "The Federation subjects have the right independently to establish the procedure and order for choosing their representatives as Federation Council members." In other words, let them form it as they see fit. They can send a governor or a local speaker to the house or they can send a "plenipotentiary representative" to Moscow, with an unspecified term "for executing the duties of a Federation Council member." A special article says that any of the current Federation Council deputies elected from a particular Federation subject can be such a "plenipotentiary representative."

Because the "order and procedure" are left at the discretion of regional authorities, it is not clear why the federal law is necessary in the first place. Did the law drafter set himself the task of writing a plainly useless circular? Nothing of the kind. There are a number of procedures which are especially dear to the author: It was for their sake that the whole draft was written. For instance, Shumeyko gives incumbent senators—those who are not from among the local bosses (and there are 84 such people in the Federation Council—slightly less than half)—the possibility quietly and without undue problem of prolonging their sojourn in Moscow for an indefinite term. Put differently, Vladimir Filippovich continues to promote his idea of extending the powers of the present deputy corps.

Chapter 3, titled "Other Members of the Federation Council," is a genuine juridical pearl. It says: "In order to ensure coordination of the interests of the Russian Federation as a whole and its subjects, two representatives of the Russian Federation president will be introduced into the Federation Council, chosen on the decision of the Russian Federation president." The majority of deputies polled by OBSHCHAYA GAZETA's correspondent believe Shumeyko has thus decided to reserve for himself a seat in the future senate—just in case. Also for Boris Yeltsin. Shumeyko proposes introducing into the Federation Council "persons who have held the post of president of Russia," adding in parentheses a possible alternative: "The president of the former USSR." Although the fate of Mikhail Sergeyevich [Gorbachev] has not been finally determined, the bill's author has prepared a safe future for Boris Nikolayevich: "The former president of the Russian Federation may be a member of the Federation Council for life," while "he shall be endowed with the powers of a Federation Council member as of the moment a new president of the Russian Federation swears the oath of allegiance." Therefore, should this bill be adopted, Yeltsin is guaranteed a lifetime immunity.

Formally, Shumeyko's draft does not contradict the Constitution in any way. After all, it only says that "the procedure for forming the Federation Council is established by federal law." It says no word about the principles of its formation or its term. A downright lacuna, in jurists' jargon. This lacuna will be filled by whoever has the most powers. The legislation committees of both houses of the Federal Assembly are dominated by the wish to put future senators through just any elections: Say, the local executive and representative power bodies will nominate their candidates, but then they will need to be elected by the population of the Federation subject in question.

President Yeltsin sticks to a different concept. It was communicated to the deputies by Duma speaker Ivan Rybkin: "The future Federation Council should include leaders of executive and representative power bodies of the Federation subjects." And that's that. Granted, the regional speakers were at least elected by their local legislatures, but the majority of governors are direct presidential appointees. How can they possibly become parliamentarians? For this to happen, general gubernatorial elections will have to be held before December 1995. Yet so far elections for administration chiefs are frozen under a Yeltsin edict until 1996. How to resolve this dilemma?

Nikolay Ryabov, chairman of the Central Electoral Commission, noted recently: "We could be confronted with a situation in which the president will again have to approve by edict some ready-made bills as temporary election regulations." Of course, this is an absolutely unconstitutional path but such an important official as Ryabov would not have made groundless statements; and according to responsible sources, he has met with the president on several occasions recently. Because nobody any longer recalls that the previous elections were illegal, why not repeat the 1993 experience and introduce the "ready-made" Shumeyko project via presidential edict? After all, it is extremely convenient for the Federation subjects, the federal authorities, and personally for Boris Nikolayevich.

Regional Affairs

Reportage, Commentary on Situation in Chechnya

Chechen Cease-Fire Extended Until 19 Feb

LD1702122095 Moscow ITAR-TASS in English 1207 GMT 17 Feb 95

[By ITAR-TASS correspondent Ruslan Maysigov]

[FBIS Transcribed Text] Nazran February 17 TASS—Russian and Chechen military officials agreed on Friday to extend the ceasefire in the conflict zone for another 42 hours, until 18.00 hours local time on Sunday [19 February].

It was also agreed at a meeting in the settlement of Ordzhonikidzevskaya that an exchange of POWs and dead bodies will take place on Saturday noon.

Intially the conflicting sides agreed on a heavy gun ceasefire on Monday. On Wednesday they agreed on a complete 48-hour ceasefire which expires tonight.

Dudayev Supporters Said To 'Drag Their Feet' at Talks

LD1602115895 Moscow ITAR-TASS in English 1122 GMT 16 Feb 95

[By ITAR-TASS correspondent Mikhail Shevtsov]

[FBIS Transcribed Text] Moscow February 16 TASS—Talks with Dudayev's representatives can be only about conditions of their surrender and laying down arms, Colonel-General Yevgeniy Podkolzin, commander of airborne troops, said in an interview with ITAR-TASS here on Thursday [16 February].

He noted that neither Aslan Maskhadov, chief of staff of Dudayev's forces, nor Shamil Basayev, one of the most authoritative field commanders among militants, can guarantee anything, and the talks only delay time for a complete rout of illegal Dudayev's detachments, giving them a chance to re-group forces and to replenish arms stockpiles.

In Podkolzin's opinion, Dudayev supporters are forced to start the talks, since they have almost no heavy weapons and armour. They try to drag their feet at the talks till the coming spring.

The commander cited facts to prove that Dudayev's representatives are insincere while conducting the talks. For instance, illegal detachments prevent Chechen elders from contacts with the command of federal troops in Chechnya, who want to ask federal troops not to shell villages, promising in exchange to bar armed mobs from their homes.

Podkolzin noted that Dudayev's detachments are capable of waging warfare only by hiding behind civilians, since they are afraid of fighting honestly on a battlefield.

The commander said that paratrooper units in Chechnya can be completely withdrawan from the region, depending on a situation, in one month.

Well-trained paratrooper forces, including those from the North Caucasian military district, can remain in the Chechen Republic to render assistance to interior troops in future.

Interior troops without heavy weapons are unable to tackle tasks on disarming and liquidating illegal armed detachments in Chechnya without support from armed forces.

In Podkolzin's opinion, it will take time and funds to set up military settlements and bases for permanent deployment of troops in Chechnya. In this connection, it is most probable that army units stationed in Chechnya will initially fulfil tasks by relieving one another.

Agapov: Chechen Talks May Achieve Peace

*LD1602193495 Moscow INTERFAX in English
1606 GMT 16 Feb 95*

[FBIS Transcribed Text] MOSCOW, Feb 16 (Interfax)—Ingush Vice President Boris Agapov believes that the talks on Chechnya settlement may achieve peace, "if extremist forces, which exist on both sides, do not interfere win the process."

Both the federal command and the leaders of Chechen formations "realize that further butchery in Chechnya has absolutely no prospects," he remarked in an interview with Interfax Thursday [16 February].

Agapov admitted that the talks in Sleptsovskaya were difficult, since "it turned out not so easy to stop a war."

Among the nearest steps to be taken to settle the conflict, Agapov highlighted a total ceasefire in the republic, exchange of prisoners, search for and burying the killed, bringing on-line vital utilities. Agapov, who acts as a mediator at the talks, said that to cease all military operations alone will take "at least a month."

According to Agapov, the Russian side should continue talks with the head of the Chechen staff, Aslan Maskhadov, and the commander of the so-called "Abkhaz" battalion, Shamil Basayev. "They are Chechnya's national heroes, their words and actions are a command for many in the republic," he said.

Agapov said Dzhokhar Dudayev was constantly monitoring the talks. "It is certain that representatives of the Chechen military command agreed on both rounds of talks with him," he added.

Two rounds of talks have been held in Ingushetia under mediation by Agapov. The talks were attended by the commander of the federal troops in Chechnya, Anatoliy Kulikov, from the Russian side and Maskhadov and Basayev from the Chechen side.

Regions Respond Favorably to Chechen Peace

*LD1602142595 Moscow ITAR-TASS in English
1349 GMT 16 Feb 95*

[FBIS Transcribed Text] Moscow February 16 TASS—The scaling down of combat operations in Chechnya, replacement of regular army units with forces of the Interior Ministry and the negotiations between the federal command and representatives of illegal formations are all indications that the process of peace settlement is soon to begin. Russians increasingly hope that the Chechen conflict will be settled soon. This is shown by reports of ITAR-TASS correspondents from various Russian regions.

An official delegation of Karelia went on Thursday [16 February] to Chechnya to send regards from the native land, to carry letters from relatives and gifts from the Karelian government to soldiers in connection with the upcoming day of the defender of the fatherland. Nine servicemen from Karelia were killed in Chechnya, ITAR-TASS correspondent Vladimir Zlobin reported from Petrozavodsk. A delegation of the Arkhangelsk region left for Groznyy together with the Karelian delegation on the same mission.

Medics in Siberia volunteer to form teams, ITAR-TASS correspondent Vladimir Zuikov reports from Tyumen. Anaesthesiologists, surgeons and nurses are recruited at military registration and enlistment offices. All of them are guaranteed state insurance and benefits.

Refugees from the zone of the Chechen conflict are hospitably received in central Russia. This is shown by reports from centres for temporary accomodation. As many as 1,147 families of resetles now reside in the Samara region, ITAR-TASS correspondent Boris Belyakov reports. Another 1,000 people are expected to arrive from the zone of hostilities. Prophilactic treatment centres and tourist bases are being readied to receive refugees.

Local authorities try to learn lessons of the Chechen conflict. Ever more attention is given to the problem of ethnic relations in Transbaikalia. A sociological survey was conducted there on the initiative of the Buryatian Khural, ITAR-TASS correspondent Pyotor Tsirendorzhiyev reported. More than 500 Buryatian citizens, mostly intellectuals, participated in the survey. The results are encouraging. Fifty-seven per cent of the respondents regard ethnic relations in Transbaikalia normal, 38 per cent described them as good, while less than three per cent regard them as conflicting and explosive.

No Firing Reported in Chechnya Last Night

LD1602201695 Moscow ITAR-TASS World Service in Russian 1455 GMT 16 Feb 95

[FBIS Translated Text] Moscow, 16 Feb—The Russian Government's press service today transmitted the following report to ITAR-TASS:

"According to a report by the Internal Affairs Ministry's Public Relations Center, last night was the first in Chechnya where no firing was recorded following the accord reached between Colonel General A. Kulikov, the leader of the joint grouping of federal troops on the territory of the Chechen Republic, and representatives of Dudayev's formations.

"During the evening before there were four instances of a brief period of firing, the last of which ended at 2315. There were no casualties on the part of the joint forces. In the opinion of Kulikov, this is indicative of the fact that 'the process of negotiations in the Chechen Republic is under control' and a tendency should grow among the field commanders of an understanding of the need for a bloodless solution to the conflict.

"During daylight hours in Groznyy today, and in accordance with yesterday's accords, the representatives of the Dudayev side are due to remove the bodies of those fighters who were killed during the recent fighting to places of burial.

"A conference of the leadership of formations and units comprising the joint forces on the territory of the Chechen Republic is now taking place in Groznyy. On the conference agenda are questions of guaranteeing legality and law and order and organizing interaction with the local population. Kulikov is taking the conference.

"A third round of talks is planned for Friday, 17 February. The time and venue will be agreed upon in due time."

Chechen Militants Asked To Surrender Arms

LD1602202195 Moscow INTERFAX in English 1853 GMT 16 Feb 95

[FBIS Transcribed Text] MOSCOW, Feb 16 (Interfax)—The Russian Government press office reported with a reference to the Mobile Information center in the area of the Chechen conflict that the Chechen Interim Council called on Chechen militants still resisting the federal troops to "give up arms and go home." In its appeal published Thursday [16 February], it said that "the refusal from armed resistance to the federal troops is the only right way to defend Chechnya's interests, while continuing it will only aggravate the difficult situation the Chechen people found itself in during Dudayev's rule."

The council called on the fighting militants "to come out of villages and not to hide behind the backs of women and children when resisting the federal troops."

"The publication of this appeal is not accidental," the Russian government press office said. "Over the recent days, the residents of Chechen villages decide to oust militants at their assemblies in order to prevent casualties among civilians. In particular, the elders in the Starye Atagi were supported by local residents when they demanded Chechen Vice President Zelimkhan Yandarbiyev and a group of militants he brought to set up his headquarters leave the village," it continued. "Noteworthy is the fact that was Yandarbiyev's native village, and his relatives were among those who demanded he leave," it noted.

According to the press office, "the cases of people's refusal to support militants are so frequent that Dudayev was had to publicly threaten those who refuse to accept militants with physical destruction. For instance, he promised to the residents of the village Stary Shatoy "to wipe out their village from the surface," saying he could well do it.

The document also stipulated that the situation in Groznyy had remained relatively stable over the last two days. Medical points started to operate in two districts of the city and receive patients. The central bakery was brought on-line. Market places and small retail facilities have been opened.

Moscow, Feb 16 (Interfax) - A meeting of the commanders of Russian units in Chechnya was held in Groznyy Thursday. The meeting was chaired by the commander of the allied group of Russian troops in Chechnya, Colonel General Anatoliy Kulikov, the government press office reported.

The meeting was attended by the chairman of the Chechen national revival government, Salambek Khadzhiyev.

Kulikov told the meeting that the republic had entered a completely new stage characterized by a change of the federal authorities' priorities, i.e. moving from military operations to restoring the republic's economy."

Despite the agreements reached Wednesday, militants sporadically shelled individual districts of Groznyy with mortars, the government press office said.

Chechen Officer Rejects Demilitarization Plan

LD1602160395 Moscow INTERFAX in English 1421 GMT 16 Feb 95

[FBIS Transcribed Text] GROZNYY, Feb 16 (Interfax)—Shamil Basayev, commander of one of the toughest Chechen units, rejected outright the federal army's proposal under which Groznyy would become a demilitarized zone.

He told Interfax in Groznyy Thursday [16 February] that ending the war was out of the question after the destruction of the city by the Russian army.

Colonel General Anatoliy Kulikov, commander of the Interior troops, called, during the second round of Russian-Chechen talks in Sleptsovskaya village airport on February 15, for turning Groznyy into a demilitarized zone. The two sides agreed to a total 48-hour cease-fire.

Basayev, who attended the talks, believes that the cease-fire will be broken because there is no supervising mechanism in place. In as the warring sides are located at positions 50 meters away of each other in some areas, exchanges of fire are bound to continue, he said.

Basayev, who commands the so-called "Abkhazian" battalion, said the Chechen units have done well and their combat performance and discipline are improving daily. He believes that the reason why the Russian authorities started the useless talks in the first place was to beat down the flame of fighting.

In his words, the Chechen units had to leave the center of Groznyy "only because of lax discipline and because of the threat of encirclement. ...Nevertheless, we are still in the city even though Moscow says that federal units control Groznyy."

Basayev said that Chechens do not hate Russia even after what had happened in Groznyy nor do they love it.

"What happened in Chechnya over the last four years is what the Moscow authorities cannot understand, the Chechens now have a non- Russian identity. We have been another country for a fourth year in a row and we will fight until Russia pulls out its troops from Chechnya," Basayev said.

Army Source: Chechnya Using Cease-Fire To Regroup

LD1602155995 Moscow INTERFAX in English 1421 GMT 16 Feb 95

[FBIS Transcribed Text] MOZDOK, Feb 16 (Interfax)—Militants loyal to Dzhokhar Dudayev do not intend to surrender their weapons though the recent cease-fire is generally holding in Chechnya, a senior Russian Army official in Mozdok said.

In an interview with Interfax on Thursday [16 February], he quoted Russian military intelligence as saying Chechen forces take advantage of the lull to build new positions and firing points, regroup their units and replenish ammunition.

He said the militants were setting up new pockets of resistance in eastern and southeastern parts of Chechnya. Illegal armed formations are concentrating in Arshty, Argun, Bamut, Shali and Gudermes, said the official. Up to 2,000 militants and seven units of armor are deployed in Argun alone, he said.

He also spoke of having evidence that Chechen militants undergo training in parts of Ingushetia before being moved into Chechnya.

The official stressed that the Russian airforce did not attack Chechen forces in line with the cease-fire agreement reached after talks between Russian and Chechen military commanders in Ingushetia on Monday and Wednesday.

At the same time, he said that the militants always agree to talks when weather conditions allow for the use of high precision air-launched weapons.

Poll Shows Approval for Refusal To Obey Orders

MM1602134395 Moscow IZVESTIYA in Russian 16 Feb 95 p 1

[Unattributed report under the "From Our Correspondents and News Agencies" rubric: "Majority Approve of 'Refusenik' Servicemen"]

[FBIS Translated Text] Some 53 percent of Russians (primarily women and young people) polled by the "Public Opinion" Foundation take a positive attitude to the fact that some servicemen—privates and generals alike—refuse to obey orders during the military operations in Chechnya. Such conduct is condemned by 24 percent of respondents, primarily military men themselves. Even so, one-third of them express solidarity with their recalcitrant colleagues, IMA-PRESS reports.

Stepashin Interviewed on Chechnya Situation

LD1602171795 Moscow Ostankino Television First Channel Network in Russian 1552 GMT 16 Feb 95

[FBIS Translated Text] The command of the Russian federal armed forces is not planning any further missile or bombing raids against Gudermes at the moment, Sergey Stepashin, director of the Federal Counterintelligence Service, said in the village of Kizilyurt in Dagestan after his meeting with representatives from Gudermes. There he had an interview with our correspondent.

[Begin Stepashin recording] We understand perfectly well how complicated was the situation in the Khasavyurt region in Dagestan. But the situation there is also now under control, in spite of the difficulties and enormous number of refugees, as well as the militants who come from the Chechen Republic. We are meeting with representatives from Gudermes and Khasavyurt in order to stop the bloodshed in the Chechen Republic. This is the position taken by Dagestan as well as the Russian leadership. [end recording]

Third Round of Talks To Be Held in Ingushetia

LD1702011595 Moscow ITAR-TASS World Service in Russian 2205 GMT 16 Feb 95

[By ITAR-TASS correspondent Mikhail Shevtsov]

[FBIS Translated Excerpt] Moscow, 17 Feb—The third round of talks between Anatoliy Kulikov, commander of the group of federal forces in Chechnya, and representatives of Dudayev's armed formations will be held on 17 February in the Ingush region of Orzhonikidzevskaya in accordance with a previously reached agreement. Boris Agapov, Vice-President of Ingushetia, will again mediate at the talks. [passage omitted]

The very fact that the talks had started gave rise to a positive comment from the head of the Russian Government. "The Russian Federation Government is ready to hold any talks with any field commanders who may affect the situation in Chechnya from the other side," Viktor Chernomyrdin declared.

Anatoliy Kulikov said that it was proposed at the talks that hostilities should be ended on both sides, all prisoners should be handed over regardless of the numbers involved, and that the illegal armed formations should surrender their heavy weapons and disband. Allowance was made, though, for the possibility that small self-defense detachments might be set up in inhabited localities and firearms might be handed in under the supervision of local self- administration bodies.

However, the Chechen side described some of the conditions emerging from the talks as impossible to meet. Specifically, Shamil Basayev stated that the proposal that heavy weapons should be surrendered was unrealistic.

Dzhokhar Dudayev has also commented skeptically on the progress of the talks. He said in an interview that they began merely as part of Boris Yeltsin's preparations for his address to the Federal Assembly.

Nikolay Yegorov, Russian Federation minister for nationality affairs, who is currently in the hospital, was critical about the talks. "Talks with Dudayev are not only impossible—they are blasphemous since there can be no talks with a person responsible for mass genocide," he said.

According to Yevgeniy Podkolzin, commander of the airborne assault troops, "the talks with Dudayev's representatives can only be about the conditions for the surrender of the armed militants and the handing over of their weapons." In his opinion, the talks will merely delay the final defeat of Dudayev's formations, enabling them to redeploy their forces and replenish their supply of weapons. [passage omitted]

Russian-Chechen Talks Begin

LD1702091595 Moscow ITAR-TASS World Service in Russian 0856 GMT 17 Feb 95

[By ITAR-TASS correspondent Ruslan Maysigov]

[FBIS Translated Text] Ordzhonikidzevskaya (Ingushetia), 17 Feb—At 1140 today Anatoliy Kulikov, commander of the joint group of Russian forces in Chechnya, and Aslan Maskhadov, chief of the General Staff of the Chechen Armed Forces, began the third round of talks on a cease-fire in Chechnya and on the exchange of prisoners. The talks are being held at "Ingushetia" airport (stanitsa Ordzhonikidzevskaya in Sunzhenkiy Rayon).

Further on Third Round of Russian-Chechen Talks

LD1702094595 Moscow ITAR-TASS in English 0918 GMT 17 Feb 95

[By ITAR-TASS special correspondent Sergey Babkin]

[FBIS Transcribed Text] Mozdok (North Ossetia) February 17 TASS—The third round of talks between the command of the Russian federal troops in Chechnya and representatives from the unlawful Chechen armed units opened today morning at the "Ingushetia" airport in the village of Ordzhonikidzovskaya, Sunzha District of the Ingush Republic.

The Russian side is represented at the talks by Colonel-General Anatoliy Kulikov, commander of the joint group of Russian troops in Chechnya, and Dudayev's side—by Aslan Maskhadov, chief of staff of the unlawful Chechen units, who took part in the previous two rounds of the negotiations—on February 13 and 15.

The Russian side moved during the first round that both sides should stop all the hostilities, should exchange prisoners, and that the Dudayev fighters should surrender their heavy weaponry and small arms, should disband the unlawful armed formations and send their men back to their places of permanent residence. The Chechen side was offered to temporarily set up small self-defence units for the period until local Interior Ministry bodies are set up in Chechen populated locality. The Chechen side insisted on the withdrawal of Russian troops from the territory of Chechnya.

The sides reached an agreement to cease fire from heavy weapons during the first round of the talks. During the second meeting, the Russian side tabled a plan for Groznyy's demilitarisation. An agreement was later reached to cease fire from all types of weapons. Dudayev's side was permitted to send an unarmed team to Groznyy on February 16 to collect the bodies of their killed fighters. However, the team failed to turn up.

Army Commanders Meet Chechen Counterparts

AU1702110795 Paris AFP in English 1026 GMT 17 Feb 95

[FBIS Transcribed Excerpt] Ordzhonikidzevskaya, Russia, Feb 17 (AFP)—Chechen separatist and Russian military commanders met here Friday [17 February] for the third time this week to negotiate ceasefire proposals in the 10-week Chechnya conflict.

General Aslan Maskhadov, commander of forces loyal to Chechen separatist leader Dzhokhar Dudayev, arrived shortly before noon (0900 GMT) with a military entourage.

He was met by General Anatoly Kulikov, commander of Russian forces in Chechnya, and Boris Agapov, vice-president of Ingushetia. [passage omitted]

Despite sporadic ceasefire violations—including gunfights and artillery salvoes—the Chechen capital remained relatively quiet, reporters on the scene said.

Kulikov Sees Change of Priorities

LD1602215995 Moscow ITAR-TASS World Service in Russian 1615 GMT 16 Feb 95

[FBIS Translated Text] Moscow, 16 Feb—The Russian Government's press service sent the following report to ITAR-TASS today:

"The commanders of the formations and units comprising the joint group of forces in the Chechen Republic held a meeting in Groznyy today. Colonel General Anatoliy Kulikov, commander of the joint group, chaired the meeting. Salambek Khadzhiyev, chairman of the government of national rebirth, took part in the meeting.

"Three main issues were examined at the meeting:

"—The military and political situation in the republic emerging as a result of the beginning of the negotiating process between the command of the federal forces and the commanders of the illegal armed formations;

"—The procedure for the withdrawal of the Defense Ministry's units from Groznyy;

"—The strengthening of military discipline, priority measures to maintain law and order, and the principles governing relations with the population.

"Anatoliy Kulikov pointed out that a qualitatively new stage has begun in the Republic. It is characterized by a change in the priorities of the work of the federal authorities, the essence of which is a transition from combat operations to the restoration of the Republic's economy.

"In spite of the agreements reached yesterday, there were instances of their violation by the illegal armed formations today. In particular, some districts in Groznyy were shelled by mortar fire."

Commander: Future Use of Power To Be 'Selective'

LD1602175595 Moscow ITAR-TASS in English 1712 GMT 16 Feb 95

[By ITAR-TASS correspondent Sergey Babkin]

[FBIS Transcribed Text] Groznyy February 16 TASS—Chief federal commander in Chechnya said on Thursday [16 February] that in future the use of power by Russian troops in this republic will be of selective character.

"The Chechen developments have passed to another phase, and from now on the use of power will be of selective character, with a priority given to the solution of economic tasks" Col. Gen. Anatoliy Kulikov, chief coordinator of federal military operation in separatist Chechnya told today a meeting of commanders of Russian units operating on the Chechen territory.

"Troops snall not enter settlements in case their is no armed confrontation", Kulikov told the meeting attended by Salambek Khadzhiyev, head of the government of national revival.

The meeting discussed problems of restoration of law and order in the Chechen Republic as well as of cooperation with the local population.

The Russian stance, according to the general, boils down to the following: The illegal armed groups must halt combat actions, surrender their arms and militants shall return to their homes.

Until local executive bodies are formed, 25-30-strong "units of self-defence" shall be in charge of the protection of Chechen villages, Kulikov said.

Officer Alleges Assassination Attempt on Dudayev

NC1602181895 Baku TURAN in English 2158 GMT 15 Feb 95

[FBIS Transcribed Text] Baku, February 15 (TURAN)—"An employee of the Russian special services took part in the attempt on the President of Chechnya Dzhokhar Dudayev," according to leader of "Boz Gurd" [Grey Wolf] Party Iskender Hamidov. Referring on Dudayev, Hamidov said that at the interrogation the Russian officer said that he himself was former citizen of Baku and the Azerbaijan's special services took part in the arrangement of the attempt. Just that information was the basis of the Russian mass media which has spread the information on the attempt on Dudayev with "Azerbaijni track."

On the eve acting Minister of National Security Namik Abbasov twice refuted that participation of Azerbaijan in any acts against the President of Chechnya Dzhokhar Dudayev.

Dudayev: Chechnya 'Sole Legitimate Statehood in USSR'

LD1602175095 Moscow INTERFAX in English 1606 GMT 16 Feb 95

[FBIS Transcribed Text] MOSCOW, Feb 16 (Interfax)—The Chechen Republic is the sole legitimate statehood in the former USSR, Chechen leader Dzhokhar Dudayev told Aleksandr Lyubimov's Vzglyad (View) program.

He said that the spirit of Chechens had been forged by history which had been continuous confrontation with Russia. He is convinced that Chechnya never voluntarily joined Russia but had been integrated into Russia forcefully.

Dudayev believes that the Chechen Mafia is a bogey created by the Russian leadership.

He said that the Russian authorities had a plan of eliminating Chechens. In particular, townships have been prepared where Chechens would be settled following a new deportation.

Dudayev said that despite the isolation of Chechnya by Russia from the rest of the world, a new government structure was set up in Chechnya and an economic program brought about a production increase. He said that the success of these plans was one of the reasons why Russia undertook a military action against Chechnya had been launched.

The interview will be telecast on the first Ostankino channel at 23:10 Friday [17 February].

Former Press Spokesman Evaluates Dudayev

954F1379A Moscow ARGUMENTY I FAKTY in Russian No 7, Feb 95 p 3

[Interview with Sergey Boykov, former press secretary to the Chechen president, by Gennadiy Tsepulin; place and date not given: "'I Worked With Dudayev'"]

[FBIS Translated Text] *The war in Chechnya has riveted mass media attention on General Dudayev. Actually, even before the conflict, journalists did not exactly ignore him. However, their brief visits resulting in television and other reports provided few clues to understanding his personality. You cannot figure out a person, of course, in a one-hour interview.*

Journalist Sergey Boykov, a Groznyy native, worked as press secretary to the president of Chechnya for about a year.

[Tsepulin] Sergey Yevgenyevich, how did it happen that you, a Russian journalist, ended up working in Dudayev's press center?

[Boykov] In 1991 I was working at the IMPULS newspaper, and at one of Dudayev's press conference Lechi Yakhyayev approached me and offered me a job working for him at the press center. I asked whether I could combine my work at the newspaper with working at Dudayev's press center. He answered in the affirmative. This is how I became "a servant of two masters."

In the beginning I was listed as an aide to the press secretary to the president of the Chechen Republic; later, because of court intrigues, I was made his press secretary. On the other hand, I lost my title due to the same intrigues.

[Tsepulin] What did you criticize Dudayev for in your newspaper?

[Boykov] First, one of Dudayev's first actions after he came to power was to form a national guard of criminals kept in the investigative detention facility of the city of Groznyy—the Naurskaya camp. These people were issued weapons, and were considered defenders of Chechnya's sovereignty.

It would be wrong to think that at the time the majority of the republic's population supported Dudayev. His support base was only in mountain, rural regions, where Zelimkhan Yandarbiyev's Vainakh Democratic Party was very active—actually, it is he who "made" Dudayev president. This party played very skillfully on the idea of national sovereignty and promised mountains of gold to everyone. As a result, the population, which was not well versed in the political realities of life, supported Dudayev.

The situation in Groznyy was different. Over there a lot of people perceived Dudayev negatively. And, as time showed, with good reason. With the creation of the national guard, muggings, armed break-ins of homes and apartments, and arbitrariness began. Indeed, this began right after Dudayev's ascent to power.

Second, the operations of practically all city services became paralyzed.

Third, the surge of national identity produced clearly visible anti-Russian attitudes, which, of course, did not make the Russian- speaking population in Groznyy comfortable.

[Tsepulin] What made you leave?

[Boykov] In October 1992 three armed national guards broke into my apartment. They tied me up and wanted to strangle me with a steam-iron cord. I managed to jump through the glass to the balcony and yelled at the top of my lungs. My neighbors (I am grateful to them) were quick-thinking and all came running. I decided not to tempt fate, and left.

[Tsepulin] Were these neighbors Russian or Chechen?

[Boykov] Both Russian and Chechen. The Chechen are a nation that has a great many noble traits. There are, of course, different people both among them and among us—as in any other nation. But a great many Chechens I encountered are people of exceptional integrity.

[Tsepulin] Tell us more about Dudayev's personality.

[Boykov] Dzhokhar Musayevich is a very complex man. One cannot paint him in one color. He may be very nice, or he may be very nasty. He can be anything. When he comes out to meet the people he looks the way people want to see him. When he talks to journalists, he may be very chummy with them, very communicative, and may even be the charming principal of sensations that are always expected of him—something he happily obliges. Very few people know his true inner substance.

[Tsepulin] Who has influence on Dudayev?

[Boykov] It is practically impossible to influence Dudayev. If he sees that someone is trying to do something that is of use to him, he will listen to that person for the time being. But only as long as this person does work Dudayev needs. As soon as this work is done, he loses interest in that person. Movladi Udugov had the greatest influence on Dudayev. I would call him the "gray cardinal" of the Chechen government. He is currently chief of the press and information department. This is a man who at the very dawn of the Chechen revolution suggested to Dudayev the idea of bringing Afghan mujahidin to defend Chechen sovereignty. He talked Dudayev into using the Islamic factor in his work with the population. Dudayev had lived outside the republic for a long time. And therefore much of the Chechen and Muslim in him had faded. Movladi Udugov was one of the persons who created Dudayev's image as president of an Islamic state. But this was simply one of the tricks in his games with the people.

[Tsepulin] Tell me, in your opinion, is Dudayev a smart man?

[Boykov] He is a very smart man. I call people like him "whist players." They can calculate the combinations for many steps ahead. They behave precisely as needed in a particular situation. They know very well the psychology of the person they are doing business or dealing with. But at the same time, despite all this, Dzhokhar Musayevich is a very conceited man.

[Tsepulin] This was probably what got in the way of his work on consolidating the nation, was it not?

[Boykov] Actually, this was never his goal. In principle, he was not interested in it. Had he worked toward consolidation of the nation, with all the money he had (and believe me, it was big money), inhabitants of the republic at least would not have sunk to the financial bottom. He was in power for three years. For more than two years Russia sent oil for refining in Chechnya, leaving 20 percent of this oil to Dudayev. Some oil was also produced in Chechnya. All of this brought in money, and quite good money. For such a small republic as Chechnya it would be enough to bring about a decent standard of living for the population.

[Tsepulin] Which of the world leaders would you compare him with?

[Boykov] Saddam Husayn or Muammar al-Qadhdhafi. Closer to al- Qadhdhafi, of course.

Dudayev's Brother Reported Arrested in Groznyy

LD1702100495 Moscow ITAR-TASS in English 0957 GMT 17 Feb 95

[By ITAR-TASS correspondent]

[FBIS Transcribed Text] Groznyy February 17 TASS—Bekmurza Dudayev, elder brother of Chechen separatist leader Dzhokhar Dudayev, has been arrested in Groznyy, sources close to Chechen opposition leader, former Russian Speaker Ruslan Khasbulatov, told TASS today. There was no immediate confirmation of the arrest from any official sources.

During Dudayev's governing, Bekmurza reportedly was a top "shadow" aide of his brother in charge of staff matters.

Tatarstan-Ukraine Oil Project Faces Deadline

MK1602150095 Moscow KOMMERSANT-DAILY in Russian 16 Feb 95 p 9

[Report by Galina Pechelina, Aleksey Sukhodoyev: "'Ukrtatnafta' Company To Be Set Up. Kremenchug and Almetyevsk Try To Weigh Their Property on the Same Scales"]

[FBIS Translated Text] The expiration of the one-month period set by the Tatarstan president's edict for the Tatarstan Government to agree with the Ukrainian authorities on constituent documents of "Ukrtatnafta," a multinational financial-industrial company, occurs 16 February. Only one issue, albeit the key one, has so far remained unresolved: how to achieve the two sides' parity in the authorized capitalization of the would-be company. The valuation of property to be contributed as their respective shares in real terms proved to be a hard task. This week representatives of the Tatarstan Government are due to fly yet another time to Kremenchug to straighten out contentious matters and "to devise a common valuation policy."

At present the financial plan of the new company's operation is all but ready. Vladimir Matitsin, general director of the "Kremenchugnefteorgsintez" joint-stock company, told your KOMMERSANT-DAILY correspondent that raw materials from Tatarstan would be supplied along the traditional route via the Samara-Michurinsk-Kremenchug pipeline, designed to pump heavy oil. The company's entire production will be marketed in Ukraine, because it was decided that sending finished products back to Tatarstan would not be cost-effective. Proceeds from the sale of oil products will be deposited in a Ukrainian bank, converted into dollars, and subsequently transferred to an authorized bank's account in Tatarstan.

The procedure of "Ukrtatnafta" operations is less clear-cut. One of the latest cooperation plans looks as follows: The company will have oil fields in Tatarstan with overall annual production volumes of 3 million tonnes of oil. Another 5 million tonnes (since the plan calls for annual deliveries of 8 million tonnes) will be bought from "Tatneft" according to routine procedures at market prices. Different options are also fairly likely, however, for the following reason.

According to information received by KOMMERSANT-DAILY from knowledgeable sources, the most contentious point in the drafting of the joint-stock company's constituent documents was the development of a single property valuation methodology. Initially, the Ukrainian side came up with clearly undervalued estimates of the property to be contributed as its share. One of the "Tatneft" joint-stock company's chief specialists said in that regard that what was needed in order to balance the figure offered at the time was to allocate the smallest field, "and even that would have been too much." During Vladimir Matitsin's visit to Kazan and Almetyevsk in January an agreement was reached on revising the amount proposed by the Ukrainian side; the revision resulted in an option that called precisely for the 3 million tonnes of annual production.

At the same time, there are people in Tatarstan advocating a closer partnership with Bashkiriya, whose refineries are operating below capacity. Under this option, oil will naturally be transported the minimum possible distance. This option, however, will require Bashkortostan plants to set up production facilities to refine oil with high sulfur content (it took Kremenchug five years to do that), and also to lay another pipeline to pump oil in the opposite direction—from west to east. In addition, Bashkortostan's oil product market is highly competitive, so marketing and payment problems are bound to crop up. Nonetheless, Tatarstan is seriously contemplating the Bashkir option alongside the Ukrainian one because, as they think here, "one will not hurt the other, while there is enough oil for all."

Economic Issues

Shokhin Supports Yeltsin's 'Tough' Economic Demands

LD1602165695 Moscow ITAR-TASS in English 1554 GMT 16 Feb 95

[By ITAR-TASS parliamentary correspondent Pavel Kuznetsov]

[FBIS Transcribed Text] Moscow February 16 TASS—The Russian president is absolutely right to set out in the message to the Federal Assembly tough demands aimed at the lowering of inflation, stepping up of investment activity, normalisation of the market of securities and stabilisation of the living standards, Aleksandr Shokhin, deputy of the State Duma, member of the faction of the Party of Russian Unity and Accord, former Russian prime minister [as received], told reporters.

The set of measures proposed by the president is as broad as last year, Shokhin said. But the point of the matter is how to solve all these tasks simultaneously.

In 1994, the government has been unable to cope with the tasks faced by the country and set out in the message of the head of state, Shokhin noted. This gave an opportunity to the opposition to criticise the cabinet of ministers not in its own words but in those of the president. The government was blamed for failing to fulfill the provisions of the annual message.

Time will show if the Cabinet of Ministers lands in the same situation in a year. It is apparent that "at least a couple of tasks faced by the country and listed among the tasks for 1995 should be solved by the government without fail. Otherwise the economy and society will be exhausted", Shokhin said.

Economy Minister Yasin Predicts End to Slump

MM1602132195 Moscow ROSSIYSKAYA GAZETA in Russian 16 Feb 95 First Edition p 1

[Interview with Russian Minister of the Economy Yevgeniy Yasin by Natalya Koposova; place and date not given: "Yevgeniy Yasin: Last Year of Slump; Economy Minister Full of Cautious Optimism"—first paragraph is ROSSIYSKAYA GAZETA introduction]

[FBIS Translated Text] Parliamentary hearings entitled "anti-inflation measures: ways of stabilizing prices in 1995" have been held at the Russian Federation State Duma. Minister of the Economy Yevgeniy Yasin, who answered your ROSSIYSKAYA GAZETA correspondent's questions, took part in the hearings.

[Koposova] Yevgeniy Grigoryevich, what out of what the parliament has proposed can the government accept and what can it not agree with?

[Yasin] Many of the proposals put forward by the parliament in discussing the budget during the work of the conciliation commission were adopted. That applies in particular to the increase in customs duty, additional sources of revenue were found, and so forth.

At the same time I liked the speech delivered by Vilen Perlamutrov, who said that irrespective of their views a professional differs from a nonprofessional in that he cannot suggest what is impossible. Sometimes something impossible has been suggested here. For instance, struggling simultaneously against inflation, against the production slump, and against unemployment. Today such proposals have not yet been heard. But I know that there are those in the auditorium who could suggest, for instance, stepping up state regulation of prices with a view to combating inflation. I consider that stupid, unnecessary, and harmful.

[Koposova] And so the government remains on its former positions—first the struggle against inflation. Even at the price of a production slump.

[Yasin] But how can you support it? Increase the amount of money pumped in? But it merely makes it possible to stabilize production for a while, because at the same time there will be a leap in inflation after which it will be necessary to take anti-inflation measures. As soon as we embark on these measures production will decline again. It could go on like that indefinitely, because of itself pumping in money provides nothing for production. What is important to it are the absence of inflation, the elimination of expectations of inflation, and stability. Then favorable soil will appear for investments. And when investments appear economic growth will appear.

[Koposova] But meanwhile a slump is inevitable?

[Yasin] This year, yes. But I hope this will be the last year of the slump. And if there is a slump in the main sectors of the processing industry then it will be a very small one—they have already reached the "bottom" and are mostly maintained not on handouts from the budget but on effective demand. And he who works for effective demand is not threatened by a tough budget policy. The danger of a slump exists in the agro-industrial complex and the oil industry, where there is a shortage of funds and they must be helped somehow by seeking these funds. And we must also keep track to ensure they do not disappear into the sand. The main problem for us is not the volumes of production or the volumes of investment but efficiency and expenses. Today, when our enterprises are not competitive, their expenses are too great, they demand: Gives us high customs dues and I realize that something will have to be done in that direction. But that is not eternal. They must reduce their expenses.

[Koposova] But expenses are connected with the continuing liberalization of price for energy carriers?

[Yasin] We are having to resolve several tasks simultaneously. One of them is the struggle against inflation, another is the continuation of the course toward liberalization and the formation of relatively new prices which promote an increase in the Russian economy's efficiency. So far, unfortunately, for all that enterprises are terribly eager for an increase in prices for energy carriers, their cost in our country is less than 30 percent of world prices. So prices for energy carriers will rise.

[Koposova] And inflation in expenses as well?

[Yasin] The dependence here is not that simple. We shall try to influence the cost of energy and energy carriers not through the direct regulation of prices but, for instance, through exports and so forth. But, on the other hand, there are indeed contradictions here. We may not break out of the clutches of inflation for a long time. It will be at the level of 25-30 percent a year and that is enough to resolve the problems of liberalization.

Bankers See 10% Monthly Inflation in Future

MK1602113095 Moscow NEZAVISIMAYA GAZETA in Russian 16 Feb 95 p 2

[Report by Sergey Rybak under the "Reforms" rubric: "Bankers Have No Faith in Financial Stabilization. Ten-Percent Monthly Inflation Expected"]

[FBIS Translated Text] Major financiers have a gloomy forecast for economic development. Sergey Yegorov, Association of Russian Banks president, forecasts a nearly 8-percent monthly rate of inflation in the first half of this year. "I thought this year's average monthly inflation rate would be a bit less than last year's. Owing to very ill-considered steps that the government is taking virtually every day, however, inflation will run at more than 10 percent a month," Inkombank head Vladimir Vinogradov said in a NEZAVISIMAYA GAZETA interview. "I think government policy is very inflexible. Financial stabilization is impossible this year owing to the economic and human losses in Chechnya."

As recently as last December during the Economic Conference, in the presence of business and regional leaders the country's top men—the president and the premier—spoke about totally different, bright prospects of economic development this year. Spoken of there was a low rate of inflation which, according to the top men's predictions, was to average 3 percent a month; stabilization and a possible beginning of production growth were also mentioned.

It has been less than three months since the conference, and the situation is totally the opposite. Inflation in January ran at 18 percent. In the assessment of presidential experts, its level is supposed to sink below 10 percent a month in March. Central Bank experts predict a 9-percent production slump during the first half of this year.

Bankers state their intention to "give closer consideration" to crediting production projects. It is to be reminded that, according to the State Statistics Committee, investments fell nearly 30 percent last year. In conditions of high inflation the "more cautious policy in regard to production" can be illustrated by Avtobank's example. Since last summer, a time of low inflation, credits to production projects have been halved.

Asked if the liberals' positions in the government may weaken in the very near future, Mr. Vinogradov said that "when you deal with our government, you should keep in mind that anything is possible."

Russia Most Active Grain Supplier to Former USSR Republics

LD1602175495 Moscow INTERFAX in English 1537 GMT 16 Feb 95

[FBIS Transcribed Text] MOSCOW, Feb 16 (Interfax)—Since restrictions on grain export were lifted in 1994 Russia has become the most active supplier of grain to former USSR republics. Considering last year's record-low harvest, this threatens with failing to meet Russia's grain needs.

This was declared by Leonid Cheshinskiy, president of Roskhlebprodukt, the state agent on grain purchases. Addressing a conference of grain inspectors from CIS and Baltic countries, held in Moscow on February 15-16, he revealed that no less than 3 million tonnes of wheat would be shipped from Russia to CIS countries this year despite Russia's grain resources already being limited.

From 43 million tonnes in 1993, grain production fell to 31 million tonnes in 1994.

Cheshinskiy noted that although Moscow had on the whole procured enough food grain through the harvest some federation regions, failing to make proper procurements "on time," could face a wheat shortage already this spring, and because of such a grain deficiency, the country "will have to consume more rye, a surplus of which is available in Russia."

Russia, which experienced a fall in grain yields from 99 million tonnes in 1993 to 81 million tonnes in 1994, is not likely to harvest more grain this year since it has again cut acreage under cereals of highest-yielding varieties. In addition, Cheshinskiy continued, no money has been received thus far to pay for spring tillage, to begin in the country's south shortly. In addition, the average purchasing price for grain from the 1995 harvest, fixed at 260,000 rubles per tonne, is, according to Cheshinsky unrealistic and unfavorable for buyers.

In the conditions of liberal foreign trade, excessively low purchasing prices will cause all quality grain "to flow abroad", Cheshinskiy noted, suggesting that state prices be set at $80 per tonne, an average European rate.

International Affairs

Navy Denies Marines 'Took Control' of BSF Installations

LD1602162095 Moscow INTERFAX in English 1233 GMT 16 Feb 95

[FBIS Transcribed Text] SEVASTOPOL, Feb 15 (Interfax)—The press service of the Ukrainian Navy has denied yesterday's reports saying that Ukrainian Marines took control of a number of former Black Sea Fleet [BSF] installations at Balaclava.

The Navy Command gave no such orders, head of the press service Nikolay Savchenko quoted Deputy Navy Commander Rear Admiral Nikolay Kostrov as saying.

The press center of the Black Sea Fleet denied having any information to this end.

'Squandering' of Black Sea Fleet Property Reported

LD1602151795 Moscow INTERFAX in English 1233 GMT 16 Feb 95

[FBIS Transcribed Text] KIEV, Feb 16 (Interfax-Ukraine)—The head office of the Ukrainian Navy has now sent incriminating materials on squandering of the Black Sea Fleet [BSF] property to the Prosecutor General's Office in Kiev, informed sources told Interfax-Ukraine.

They said the head office has evidence about economic damage and lost opportunities sustained by Ukraine because of the unilateral sale of BSF property, weapons and hardware.

According to one document, Ukraine lost more than $2 billion in underived revenues from the use of land and land-based infrastructures which is 2.5 times higher than the cost of the BSF.

At the same time, BSF Commander Admiral Eduard Baltin continues to deny accusations of financial irregularities.

Antonets Says Country Cannot Service Strategic Bombers

LD1602220495 Moscow INTERFAX in English 1853 GMT 16 Feb 95

[FBIS Transcribed Text] KIEV, Feb 16 (Interfax-Ukraine)—A group of Russian military experts are now examining the state of TU-160 and TU-95 heavy strategic bombers on the Ukrainian military air force bases in Priluky and Uzina.

The press service of the Ukrainian Defense Ministry told Interfax-Ukraine that a final decision on selling these bombers to Russia could be made in the near future.

Commander of the Ukrainian Military Air Forces, Lieutenant-General Vladimir Antonets told journalists that Ukraine could not serve or reequip the TU-160 and TU-95 bombers. He said the corresponding technical documents were on Russian enterprises. He also said that it would take at least ten years to reequip the bombers.

Antonets said that $735,000 were annually spent on keeping the heavy bombers on the bases without fuel and training flights.

Kiev Hosts Partnership for Peace Security Conference

WS1702103195 Kiev UKRINFORM in English 0845 GMT 17 Feb 95

[From the "Current Events" feature]

[FBIS Transcribed Text] The Ukrainian National Institute for Strategic Studies and the Netherlands-headquartered Center for Studies of European Security Problems sponsored an international conference which opened in Kiev on Thursday, February 16 to discuss the theory and structure of global security.

The conference which was convened within the framework of NATO's Partnership for Peace is meant to familiarize the Ukrainian military with NATO's vision of European and global security in the post-cold-war period.

The conference is attended by cadets and teachers of the Kiev Military Humanitarian Institute and cadets of the military college of the Air Force and Command, Control and Communication. The students of the Ukrainian Institute of International Relations under Kiev University are also attending.

Delegation in Moscow for 'Mystery' Gas Debt Talks

WS1602133995 Kiev INTELNEWS in English 2128 GMT 15 Feb 95

[Report by Halia Pavliva: "Mitykov's Mission in Moscow a Mystery"]

[FBIS Transcribed Text] Kiev, Feb. 15—A Ukrainian delegation headed by Ihor Mityukov, Deputy Prime Minister for Finance, Banking and Foreign Trade, left for talks in Moscow Wednesday [15 February] with Russia's principal gas company, GazProm, and the Russian Finance Ministry to resolve the issue of restructuring Ukraine's natural gas debt to Russia. But there is confusion among Ukraine's government ministries and the presidential administration as to what the delegation is drafting.

Mityukov's chief of staff, Vasyl Hubenko, refused to comment until the delegation returns to Kiev on Thursday. President Leonid Kuchma's chief adviser on political affairs, Oleksandr Rozumkov, said Wednesday it was not his place to comment on Mityukov's mission and referred questions to the Cabinet of Ministers. Head of the Cabinet of Ministers press office, Hryhoriy Kosikh, said the same day that he had no information about any such visit.

Ukraine has already negotiated the principles for debt restructuring, and the delegation's mission is to work on the text of a future agreement in this area, said Yuriy Sergeev, head of the Ukrainian Foreign Affairs Ministry information division on Wednesday.

But presidential adviser on economic affairs Anatoliy Halchynskiy said that Ukraine already had the chance to sign such an agreement, and lost it, implying that no agreement in principle has been reached.

Kuchma had already reached an agreement with Russian Federation President Boris Yeltsin on debt restructuring, said Halchynskiy. But Russia was most interested in having Ukraine sign the "zero-option" agreement that forgave Ukraine's Soviet debts in return for its renunciation to claims on former Soviet property.

"Ukraine had to sign a package of agreements at that time—the zero-option and an agreement on debt restructuring," said Halchynskiy. "Ukraine did not push to have all debts to Russia resolved, but signed the zero-option. Ukraine lost a key opportunity and must now begin again."

Halchynskiy also said that Ukraine currently has no way of paying off the debt. "The official forecast for 1995 is that Ukraine's payment deficit will be more than U.S. $5 billion," he said. "We hope that in the second half of this year, stabilization of the Ukrainian economy will begin."

At the end of 1994, Ukraine's total debt to Russia stood at U.S. $4.3 billion—of which U.S. $1.5 billion is owed to GazProm and to the Russian government—U.S. $2.5 billion. Another U.S. $300 million of the total, Ukraine owes in technical credits for gas deliveries during the winter of 1993-1994. The U.S. $2.5 billion debt contributed to Ukraine's departure from the ruble zone, according to finance experts.

Halchynskiy stressed that from an economic point of view Ukraine's foreign debt should not be exaggerated. "The United States foreign debt is also very large, so don't make a tragedy out of Ukraine's foreign debt," he said. Ukraine's debt to Russia should be viewed within the context of total foreign trade volume, he said. Ukraine's debt to Russia is about one-fourth of its total foreign trade—U.S. $16.8 billion—"and even by World Bank standards, this figure is not critical."

Foreign Ministry Hosts Briefing on Cuba, CIS Relations

WS1602142395 Kiev UKRINFORM in English 1040 GMT 16 Feb 95

[From the "Current Events" feature]

[FBIS Transcribed Text] As reported by UKRINFORM's diplomatic correspondent, a press briefing took place at the press center of the Ukrainian Foreign Ministry on Tuesday, February 14.

The press conference was opened by Ukraine's newly re-appointed Ambassador to Cuba Oleksandr Taranenko, who is due to depart for Cuba on February 15.

Analyzing Cuban-Ukrainian relations, Mr. Taranenko noted that Ukraine and Cuba have been maintaining excellent relations for the past 35 years, adding that Ukraine's share of the former Soviet Union's total exports to Cuba had made up 30 percent.

Mr. Taranenko praised Cuba's achievements in the fields of medicine, pharmacology and biotechnology. He promised to do everything in his power to facilitate further development of relations between the two countries.

The press conference was later addressed by the ministry's Chief Press Officer Yuriy Serheyev who informed the journalists about the outcome of the CIS heads of government summit which recently closed in Almaty, the capital of Kazakhstan.

He went on to inform the journalists about the upcoming meeting of the Council of CIS Heads of Government which is slated for May 26 in Minsk, the capital of Belarus. It was also disclosed that Ukraine's Deputy Foreign Minister Borys Tarasyuk will lead a delegation to a meeting on security issues in the western region of the CIS which will take place in Moscow, the Russian capital, on February 16. Ukraine will attend the meeting as an observing member. Mr. Serheyev also dwelt on the negotiation talks between Ukraine and Russia, stressing that the sixth round of Russian-Ukrainian talks which ended in Kiev recently was very fruitful. A Ukrainian delegation, led by Deputy Prime Minister Ihor Mytyukov, departed for Moscow on February 14 to hold negotiations on restructuring Ukraine's debts to Russia, Mr. Serheyev disclosed.

Tarasyuk Views Relations With Romania

LD1602212995 Moscow INTERFAX in English 1853 GMT 16 Feb 95

[FBIS Transcribed Text] KIEV, Feb 16 (Interfax - Ukraine)—Ukraine and Romania are expected to sign a framework agreement as their leaders meet this summer, First Vice Foreign Minister Boris Tarasyuk told a news conference in Kiev on Thursday. He led a Ukrainian delegation during a recent visit to that country.

The Ukrainian delegation is due to start work in Bucharest next week to outline the prospects of bilateral economic cooperation.

On the territorial dispute between the two countries, Tarasyuk spoke of gathering the impression that both the Romanian government and legislators were ready to close the issue.

Earlier, Romanian opposition had repeatedly raised the question of renouncing the Molotov-Ribbentrop pact under which Northern Bukovina was ceded to Ukraine. But the Romanian government did not disclaim opposition statements.

In this connection, Tarasyuk said that Romania was seeking entry into NATO which sets the absence of territorial claims to its neighbors as a condition for any new state's membership of that organization.

Tarasyuk said that the minorities issue was also high on the agenda and the two sides had reached agreement to work out a range of documents to ensure the rights of minority groups on both sides in areas of culture, education and human contacts.

Moldova was also discussed. Ukraine and Romania were both involved in four-nation talks on resolving the Transdniestrian issue in 1992. Tarasyuk is convinced that the issue will again crop up on the agenda of next week's talks in Kishinev by the Ukrainian foreign minister.

Mykolayiv Oblast Leaders Sign Agreements in China

WS1602144495 Kiev UKRINFORM in English 1040 GMT 16 Feb 95

[From the "Current Events" feature—all Chinese placenames as received]

[FBIS Transcribed Text] As reported by UKRINFORM's foreign correspondent, Ukraine and China are taking new steps towards strengthening regional cooperation.

Cooperation between various regions of Ukraine and China is becoming more active. A testimony to this is the fact that a Mykolayiv Oblast delegation, led by Oleksandr Shpil, deputy chairman of the Mykolayiv Oblast Executive Committee and chairman of the Oblast Committee for Economic and Regional affairs, visited the Chinese city of Shantou on invitation from its mayor.

A group of Chinese businessmen from Gayndun and the leaders of Shantou visited Mykolayiv Oblast in October last year. Then, an agreement on technical, scientific and cultural cooperation was signed between Mykolayiv Oblast and Shantou, which is located in a special economic zone in China.

The Ukrainian delegates signed the Chinese version of the agreement during the return visit. They also signed a series of new economic cooperation agreements.

Uzbek Delegation Arrives for Intergovernmental Talks

LD1602131595 Kiev UNIAN in Ukrainian 1115 GMT 16 Feb 95

[FBIS Translated Text] Kiev—An Uzbek Government delegation headed by Deputy Prime Minister Yuriy Paygin arrived in Kiev on 16 February. The consultations on the further development of bilateral trade and economic relations will continue until 19 February, the press service of Ukraine's Cabinet of Ministers told UNIAN.

At the talks the Ukrainian side is represented by Deputy Prime Ministers Anatoliy Dyuba and Ihor Mityukov. Meetings of expert groups have commenced in the ministries and departments, in particular, in the Ministry of Foreign Economic Relations and the Ministry of Machine Building.

Gas Debt Among Issues Discussed

WS1702102995 Kiev UKRINFORM in English 0845 GMT 17 Feb 95

[From the "Current Events" feature]

[FBIS Transcribed Text] On Thursday, February 16 Uzbekistan's and Ukraine's government expert delegations met in Kiev to appraise progress made in implementing Uzbek-Ukrainian intergovernmental agreements.

The Uzbek delegation assessed Ukraine's debt to Uzbekistan for transit piping of Turkmen natural gas to Ukraine at over $100 million. In all reasonable probability, the Ukrainian side will argue on that point to diminish the figure.

The delegations are led by Ukrainian Vice-Premier Anatoliy Dyuba and Uzbek Vice-Premier Yuriy Paygin. They are expected to analyze implementation of Uzbek-Ukrainian agreements in the last quarter of 1994 and outline moves to ensure fulfillment of the trade and economic agreement between the two nations for 1995. The delegations' experts will draft a mechanism for mutual settling for transit piping of Turkmen natural gas, which will be officialized in an agreement following negotiations involving Turkmenistan's delegation as well.

Estonian Premier Visits, Comments on Free Trade Pact

WS1602142495 Tallinn BNS in English 1829 GMT 15 Feb 95

[FBIS Transcribed Text] Kiev, Feb 15, BNS—Prime Minister Andres Tarand who Wednesday [15 February] began a visit to Ukraine told BNS Estonia might conclude a free trade agreement with Ukraine even under the present government.

Tarand and Ukrainian Prime Minister Vitaliy Masol discussed Wednesday the proposed free trade agreement and economic cooperation in a wider sense.

Meetings of Economics Minister Toivo Jurgenson and Reform Minister Liia Hanni with their Ukrainian counterparts focused on details of the free trade agreement.

The two premiers signed accords covering mutual protection of investments, legal assistance, and rail freight.

Tarand said all three agreements "had been prepared properly" and no adjustments were needed.

In a comment on the free trade agreement, Tarand told BNS Ukraine had "somewhat less experience" in developing free trade than Estonia.

"The opening of a new market is no doubt of great advantage. At present Estonia has a positive balance in trade with Ukraine and there are enough opportunities to boost it," he said.

The prime minister noted that Estonia's trade with Russia has picked up over the last few months and that the same is possible in relations with Ukraine.

Tarand's meeting with the Ukrainian premier also touched on cultural cooperation. "There are about 50,000 Ukrainians in Estonia. Naturally Ukraine is interested that they should remain Ukrainian in everything," the prime minister noted. He emphasized that cultural autonomy was a tradition not alien to Estonia.

The Estonian delegation is scheduled Thursday to meet with the chairman of the Ukrainian parliament and visit the Sofia Cathedral prior to returning to Tallinn.

Further on Tarand Visit

LD1602163195 Kiev UNIAN in Ukrainian 1115 GMT 16 Feb 95

[FBIS Translated Text] Kiev—At a meeting with the chairman of Ukraine's Supreme Council [Oleksandr Moroz] on 16 February Estonian Prime Minister Andres Tarand said that his state would very willingly adopt the role of mediator in Ukraine's membership of the Council of Europe [CE]. He said that his trip to Ukraine, which comes to an end today was "short but successful."

According to Oleksandr Moroz, Ukraine is geared for more productive cooperation and closer interparliamentary relations with Estonia than has been the case so far.

Touching on economic reforms, which the Estonian Government is implementing, Tarand said the adoption of the new constitution and the implementation of monetary reform served as a powerful impulse for them. In his words, in 1994 foreign investments in the Estonian economy amounted to $120-$130 million.

The sides touched on the problems of privatization in both states. According to Tarand, at present about 70 percent of output is manufactured by the non-state sector. However, this figure was relative, since a number of state enterprises, particularly of the military industrial complex in the north, were now standing idle. He noted that enforceable enactments on the sale and lease of land in towns were practically not working but the government was defending the priority right by labor collectives on them. A special agency has been created under the Estonian Government to monitor the implementation of privatization.

Moroz noted that the first experience of the privatization of land in Ukraine proved that the right to lease was being used "more or less normally," however, the "mechanism of corruption" was often used during the sale of land.

The chairman of the Ukrainian Parliament expressed satisfaction with Estonia's experience in "parliament-bank-government" relations. The National Bank of Estonia is independent but the parliament appoints an observation council that includes members of the government and people's deputies. It controls the bank's activity in abiding by the laws.

Moroz responded approvingly to the regulations for purchasing housing in Estonia according to which every resident of the state, regardless of citizenship, receives a so-called "yellow card" for the number of years worked. The card may be passed on to children and relatives as an inheritance to purchase housing.

The Estonian Government delegation today leaves for Tallinn.

National Affairs

Crimean Speaker Views Parliamentary Crisis

WS1702105095 Kiev UKRAYINA MOLODA in Ukrainian 14 Feb 95 p 2

[Interview with Crimean Supreme Council Chairman Serhiy Tsekov by Serhiy Zaliskyy: "Serhiy Tsekov: 'All Difficulties Ukraine Is Currently Experiencing Are in Many Respects Connected With Problems of Its Attitude Toward Crimea'"—first paragraph is UKRAYINA MOLODA introduction]

[FBIS Translated Text] One can again smell something brewing in the autonomous parliament: The majority of deputies have been demanding that the dismissal of the Crimean Supreme Council Presidium be put for debate at a session. These demands reached their apogee during a plenary session held on 2 February, at which "Respublika" faction leader Volodymyr Klychnykov addressed the deputies with a statement issued by his faction, demanding immediate replacement of the Crimean parliament's presidium, "since it is impossible to work with the current members of the Supreme Council's management body." The statement was supported by another two factions—"Kurultay" and "Reformy." And even though this issue was again "buried" (the Supreme Council agreed to replace only one presidium member), Anushevan Daleyan, one of the presidium members, advocated the idea of dismissing the presidium as early as 8 February. This proposal was supported in writing by 47 other deputies. After a vote, the issue was put on the agenda for the second session of the Crimean Supreme Council by 52 votes "in favor," despite the fact that certain deputies (particularly, Crimean Communists leader Leonid Hrach) proposed imposing a moratorium on playing with dismissals until the end of this year. It is not hard to forecast further developments, since the incompetence of the majority of presidium members is obvious not only to the autonomous deputies, but also to detached onlookers. The results of an upcoming vote will be known on Wednesday. Waiting for the final outcome and using this opportunity, an UKRAYINA MOLODA correspondent met with Serhiy Tsekov, chairman of the Supreme Council of the Autonomous Republic of Crimea, and asked him several questions concerning Crimea's current issues. Serhiy Tsekov with pleasure responded to the following questions:

About the Crisis in the Crimean Parliament

[Tsekov] The Supreme Council of the peninsula will emerge from the crisis, which is determined by relations between the deputies and its leaders. Regardless of the results of the vote on replacing the Supreme Council Presidium, it will be replaced anyway. I expect that this issue, about which there have been rumblings for as long as three months, will be taken off the agenda, which will allow us to finally tackle issues which are currently the most urgent.

Speaking about the reasons why the issue of nonconfidence in the leadership of the Crimean parliament has arisen at this moment, it should be said that there are many reasons behind this. Certain people are dissatisfied with the fact that their factions are not represented in the presidium, other people are concerned over the threat that they may be dismissed from the offices of commission chairman, and others would generally like to blame the presidium for all mistakes made by the Supreme Council, to excuse themselves before their voters. If new presidium members are elected, I will try to arrange normal activities, and will work to ensure that there are no disagreements, and that the current moods in the Crimean Supreme Council are not transferred to the new presidium. In general, the old presidium has been working well. There has been talk that they have violated legislation... They have. But this has been an exemption from the rule.

bout the "Crimea-Ukraine" Negotiating Process

[Tsekov] Despite all our parliamentary difficulties and the generally complex situation in the Crimean Republic, deputies who still want to work for the benefit of Crimea have found an opportunity to continue a dialogue with Kiev. Regardless of the fact that our internal problems have permanently been making it impossible to seriously work in this area, we have set up a commission, which will handle the process of negotiations with Kiev, and have defined its powers. The commission is currently in Kiev. Of course, it is hard to work for them there, but, according to information I currently have, its work can be assessed positively.

Regarding the "bringing in line" process, we have always stated, and will continue to state that this issue should not be raised in such a harsh manner. We should finally achieve a certain goal. And, perhaps, we should not resort too much to means of achieving this goal. I should note that this is a normal dialogue for relations between the center and the regions: Everywhere the center demands that the regions bring something in line with something, and after this is done it starts a dialogue. It can be said that in areas in which people have strayed from this principle, and have begun bringing something in line with something, they have achieved good results. I think that one should avoid raising issues in a harsh manner in relations between Crimea and Ukraine. All the more so, since according to a legislative basis adopted by the Ukrainian Supreme Council with regard to Crimea, the point was to bring in line not only our, but also Ukrainian legislation. Let us work in this manner. But for some reason Kiev does not want to do this: There are elements of force on the part of the Ukrainian Supreme Council, and given such a forceful position, it is hard for us to talk. All of Ukraine, and not Crimea alone, is suffering from this. And the internal and external difficulties Ukraine is currently experiencing in many respects depend on our relations.

About the Presidential Office in Crimea and His Attitude Toward Yuriy Meshkov

[Tsekov] I am against abolishing the presidential office in Crimea. The program of the Republican Party of Crimea says that the president should be either the head of state or its highest official, which, in my opinion, is the same thing. We should understand that the internal situation in Crimea simply requires rapprochement between the legislative branch and the president. This is in the interests of Crimean statehood. I have taken steps toward such rapprochement, even though not all the deputies have received this positively. But, again, these deputies only want to play political games.

About the Crime Situation in Crimea

[Tsekov] The crime situation on the peninsula is primarily connected with problems existing within the Republic's leadership. This is a reflection of the current situation in the Supreme Council, and the situation in relations between the president and the Supreme Council. And if there is stability in the Supreme Council, if there is rapprochement between the president and the Supreme Council, and if normal relations are maintained with the government, I believe that all this will contribute to an improvement in the crime situation. If there is discord in the Supreme Council, this causes appropriate consequences. If, for example, a manager is sitting and waiting to see whether Tsekov will be ousted or not, unhealthy interest in this matter is being generated. I, for example, have received the following information: Within the government, or in some other body, some people gather and say "Wait a little longer, and the chairman and presidium of the Supreme Council will be dismissed...." Unconditionally, this situation does not contribute to normal work in the area of combating crime in Crimea. And the apogee of criminal tensions will take place at the beginning of privatization. And to introduce privatization in a normal way, stability in the Crimean Supreme Council is needed.

Crimea's Meshkov Reportedly Signs Accord With Zhirinovskiy

LD1602221995 Kiev UNIAR in Ukrainian 1915 GMT 16 Feb 95

[FBIS Translated Text] Simferopol, 15 Feb— The Crimean presidential service and the Russian State Duma's Liberal Democratic Party of Russia [LDPR] faction have signed an agreement on interstate relations, confidential sources in [Crimean President] Yuriy Meshkov's administration have revealed.

The Crimean presidential service, in the person of President Meshkov, and the Russian State Duma's LDPR faction, in the person of Vladimir Zhirinovskiy, the group's chairman, have agreed as follows:

The parties shall join their efforts to generate and implement joint economic and political programs that will promote a constitutional transition of the Republic of Crimea and the city of Sevastopol to the jurisdiction of Russia, and the stabilization and improvement of the political situation in Crimea.

To that end, the parties to the agreement shall take part in setting up a joint information and analysis centre and a joint expert and analytical service, which will analyze the demographic, economic, and political situation in Crimea.

The parties agreed to exchange their representatives at the level of advisers, deputies, and their aides, and to assign personnel to carry out the necessary tasks.

The document emphasizes that the following problems should be resolved:

1. A constitutional transition of the Republic of Crimea and the city of Sevastopol to the jurisdiction of Russia.

2. The establishment of a unified Black Sea Fleet without its prior division and of a unified fleet command staff.

3. The formation of an interparliamentary commission for the use and division of the former USSR's Defense Ministry property.

4. The privatization of the former USSR's Defense Ministry facilities that are on the territory of the Crimean Republic and the city of Sevastopol and that have been or are due to be released from the jurisdiction of Russia's Defense Ministry owing to the reduction of its Armed Forces.

5. The attraction of Russian financial and industrial capital with a view to privatizing facilities in the Crimean Republic, including the former USSR's Defense Ministry facilities.

6. The examination of the consequences of the deportation of nations in the former USSR.

7. The order and procedure of mutual settlements for the use by the Red Banner Black Sea Fleet and the Russian Armed Forces military units that support the Red Banner Black Sea Fleet, of the infrastructure in the city of Sevastopol and Crimea.

8. The guaranteeing of the welfare of Red Banner Black Sea Fleet servicemen, members of their families, USSR Defense Ministry pensioners, and the pensioners released from the ranks of Russia's Armed Forces.

9. The direct representation of the Red Banner Black Sea Fleet in the Russian State Duma of the second convocation.

10. The provision of dual citizenship for the residents of Crimea, which would make them equal in their rights with the citizens of Russia.

It is the mutual decision of the parties to the agreement that the terms and conditions of the agreement shall be strictly confidential. Neither of the parties shall disclose any information about the actual terms and conditions of the implementation of this agreement to the public, press, or their officials or representatives, except for the cases where the form and conditions of such disclosure have been agreed between the parties to the agreement.

This agreement shall be valid for the whole duration of the concurrent existence of the parties to the agreement.

Neither the Crimean presidential administration nor the Republic of Crimea Supreme Council's press service has officially confirmed this report, declining comment. Observers believe the report on the conclusion of this agreement may be a planned action aimed to undermine the authority of President Meshkov, whose political popularity among the Crimean population has lately grown considerably.

Crimean Deputy Premier Notes Support for Kuchma Reform Plan

WS1702103995 Kiev INTELNEWS in English 2225 GMT 16 Feb 95

[FBIS Transcribed Text] Simferopol, Feb. 16.—Crimean Deputy Prime Minister Andrey Senchenko said the Crimean government would carry out its economic policies in accordance with the economic reform policies of Ukrainian President Leonid Kuchma at a Wednesday [15 February] press conference.

Senchenko said the law on division of authorities between Crimean and Ukrainian state structures should become the legal basis for economic reform on the peninsula. "That is why the aim of the Crimean government is to restore the process of 'civilized relations,' that was instituted with Ukraine two years ago," he said.

Senchenko assessed the last visit of Crimean Prime Minister Anatoliy Franchuk to Kiev a success: negotiators signed a document prolonging the treaty on budget regulations between the Ukrainian and Crimean governments and prepared a treaty on dividing credit emissions. The Crimean delegation suggested that the volume of credit emission should be proportional to the actual financial resources of Crimea. Senchenko also said other agreements on Ukrainian-Crimean relations were in the drafting stage.

Saying that internal battles between Parliament and President on the peninsula were obstacles to good relations with Kiev, Senchenko affirmed that both the Crimea and Ukraine look to stability.

Political analysts in Crimea assess that the government may well be the only stabilizing force in the autonomous republic. Despite Crimean President Yuriy Meshkov's criticism of the government and his accusations that the government takes part in political games, many observers agree that the government, for better or worse, is doing its job.

Deputies Urge Introduction of State of Emergency

AU1602152495 Kiev HOLOS UKRAYINY in Ukrainian 15 Feb 95 p 3

[Undated "Statement" by a group of Ukraine's people's deputies, representing parliamentary factions "Statehood," "Socialist Faction," "Reforms," "Independent," "Unity," and "Ukraine's Communists for Social Justice and the Power of the People"]

[FBIS Translated Text] We, a group of Ukraine's people's deputies, state the following....

Over the three years of independence, words such as "on the brink," "catastrophe," and so on have often been heard. At that time, things were hardly so bad, because there existed at least some prospects.... They no longer exist now and Ukraine is one step away from a really total catastrophe....

...Out of the 52 million population, 49 million live below the poverty line and between 20 and 25 million of them below the subsistence level.... A country, which is cold, starving, and without electricity, a dying country, where a small pack of corrupt officials and new bourgeoisie, with villas, luxurious apartments, foreign-made cars, and plenty of U.S. dollars, dominates, a pack, behind which one can clearly discern the figure of a future "subjugator of the people."

The course toward so-called reforms that was so ostentatiously proclaimed by the president will lead to a further deterioration in the standard of living of the population, to a total "unrestrained" capitalization of Ukraine, and to the continued enrichment of the group of nouveaux riches, so that one million crooks will have everything, whereas 51 million working people will have nothing, and Ukraine will, in the final analysis, become a colony of the United States and Israel or of other countries.

Very alarming is the practically complete failure to prepare for the sowing campaign: The agro-industrial complex is only equipped with 8-15 percent of the necessary materials and it is clear how this may end.

A global political crisis is also imminent. It is due to the totally unacceptable presidential bill "On State Power and Local Self-Government" and to the hostile attitude of the presidential entourage toward the Supreme Council.

That is why we propose that a plenary session of the Supreme Council immediately consider the question of introducing, on 1 or 10 March 1995, a state of emergency on the entire territory of Ukraine in accordance with Paragraph 26-1 of Article 97 of the Ukrainian Constitution and Paragraph 5 of the Law on the State of Emergency enabling the Supreme Council to make such a decision without the president's consent and preventing his counteraction.

Two months of the state of emergency, as provided for by the law, will make it possible to....

1. Introduce rationing of foodstuffs and basic commodities at fixed prices in accordance with Paragraph 4 of Article 24 of the law.

2. Mobilize all the resources of the state, irrespective of the form of ownership, in conformity with Paragraph 6 of the same article of the law.

3. In accordance with Article 22 of the law, introduce additional measures, in particular, create Extraordinary Inspection Committees for detecting and confiscating unlawfully acquired property and handing over the main part of it (including housing) to the poorest groups of the population.

4. Emerge finally from the political and economic crisis.

Three times already, in January and February 1995, at the demand of a group of deputies, the Supreme Council chairman put to the vote the question of incorporating the aforementioned initiative into the agenda of the session. However, the majority of people's deputies, either failing to understand the content of the state of emergency and confusing it with martial law or understanding everything correctly, but ignoring the will of the people, voted against (the votes for numbered, consecutively, 77, 103, and 110).

Realizing that there is now no other way to emerge from the crisis or to prevent a national catastrophe, we once again appeal to our colleagues—people's deputies—to support our initiative and call upon our electorate to start collecting signatures in support of introducing the state of emergency.

There is little time left. It is necessary to act swiftly and decisively. We hope that common sense will prevail.

[Seven signatures]

URP Launches Campaign To Ban Communist Party, Leave CIS

LD1602172095 Kiev UNIAN in Ukrainian 1340 GMT 16 Feb 95

[FBIS Translated Text] Lvov—Local Ukrainian Republican Party [URP] activists are setting up action groups in the oblast to campaign for an all-Ukrainian referendum on two issues, a ban on the Communist Party of Ukraine and Ukraine's withdrawal from the CIS, Oleh Pavlyshyn, the head of the URP Lvov branch, told UNIAN.

He said that the move had been prompted by the Left Wing's recent signature-raising campaign for a referendum on restoration of the Soviet Union. The Lvov Republicans are also concerned about Russia's policy of "pressure on CIS countries to restore the Union."

Mr. Pavlyshyn added that the party members were equally worried about the policy of the country's top leadership. "The president of Ukraine speaks of Ukraine's independence and the impossibility of returning to the Soviet Union, while at the same time taking steps to drag Ukraine into Russia," he said.

Moroz Explains Ban on Circulation of Foreign Currencies

LD1602182895 Moscow INTERFAX in English 1708 GMT 16 Feb 95

[FBIS Transcribed Text] KIEV, Feb 16 (Interfax - Ukraine)—The ban on the circulation of foreign currencies in Ukraine is a necessary measure to promote the stabilization of the Ukrainian karbovanets, Parliamentary Chairman Aleksandr Moroz told journalists in Kiev Thursday [16 February].

"We were ready for the step as far back as in 1994," he added.

However, "the National Bank of Ukraine and the cabinet of ministers must prepare the measure together," he added.

Prior to this, the National Bank of Ukraine issued a resolution in November 1994 to ban the circulation of foreign currencies in Ukraine starting on February 18 1995. At the same time, the republic's government said such a step would be untimely. However, it never opposed to the decision in principle.

Official: $600 Million Project 'Extremely Important'

AU1602130095 Kiev HOLOS UKRAYINY in Ukrainian 15 Feb 95 p 1

[Report attributed to INTERFAX-UKRAYINA Agency: "Ukraine Can Also Fly Into Space"]

[FBIS Translated Text] Ukraine's National Space Agency intends to take part in this year's aerospace salon at Le Bourget (France), where it is going to exhibit a model aerospace complex "Svityaz." This is what Oleh Uruskyy, head of the Administration of Ukraine's National Space Agency, told an INTERFAX-UKRAYINA correspondent.

The first international presentation of the complex is also planned for July 1995 at the 46th International Aeronautical Congress in Oslo (Norway), he said.

The aerospace rocket complex, based on the "Mriya" aircraft and elements of the Ukrainian missile carrier "Zenith," will be able to carry about 8 metric tons of working load into the circular circumterrestrial orbit; and if launched in the equatorial area, it can carry 1 metric ton of working load—into a geostationary orbit.

According to O. Uruskyy, the question of being permitted to launching work loads into space on its own remains topical for Ukraine. In this connection, an extremely important place in Ukraine's Space Program has been reserved for the "Svityaz" project, which costs between $500 million and $600 million.

The "Pivdenne" [Southern] Design Office (Dnipropetrovsk) is the principal organization in charge of developing the "Svityaz" complex. The main contractors and participants in the project are the Antonov Scientific and Technological Complex (creation of the carrier aircraft and of the ground infrastructure) and the "Khartron" Scientific Production Association (development of a universal airborne launching complex and control systems for the missile carrier).

Military Officials Comment on Division of Black Sea Fleet

WS1702112495 Kiev KIYEVSKIYE VEDOMOSTI in Russian 15 Feb 95 p 3

["Exclusive" interview with Vice Admiral Volodymyr Bezkorovaynyy, commander of the Ukrainian Navy, and Colonel General Ivan Bizhan, deputy defense minister of Ukraine, by Anatoliy Smetanin; place and date not given: "Ukrainian Navy Commander Volodymyr Bezkorovaynyy: 'Not Sevastopol, but a Base in Sevastopol Will Be the Russian Fleet's Deployment Site on the Black Sea'"—first paragraph is KIYEVSKIYE VEDOMOSTI introduction]

[FBIS Translated Text] A declaration on the division of the Black Sea Fleet, recently adopted at negotiations held in Kiev, has not yet become a topic for broad media debate, since little is known about the contents of this document. We hope that an exclusive interview with Vice Admiral Volodymyr Bezkorovaynyy, as well as the opinion presented by Colonel General Ivan Bizhan, deputy defense minister (and a member of our delegation to the talks), will shed some light on the main provisions of the document.

[Smetanin] Volodymyr Harasymovych, what does the declaration represent? What is its essence?

[Bezkorovaynyy] The declaration is the promulgation of our president's settlement of the Black Sea Fleet problems and a strategic document. For example, it clearly defines that the main base of the Russian Federation Fleet on the Black Sea will be located in Sevastopol. This is principally important: Sevastopol will not be a base of the Russian Federation Navy, on which our partners were insisting, but the Navy's main part will only be located in the city.

The declaration also stipulates that specific terms of stationing, leasing, and payments will be defined in special agreements on a legal status of this part of the Russian Fleet.

[Smetanin] In what other places, in addition to the Sevastopol bays, will Russian Black Sea Fleet ships be deployed?

[Bezkorovaynyy] We agree to temporarily lease other facilities to the Russians, though on a treaty basis. This is a principally new phenomenon in our relations. If we say that a Russian Federation base is located on Ukrainian territory on a leasing basis, this also presupposes Russia's jurisdiction—even if this is done on a treaty basis and temporarily, it is still the Russian Federation's jurisdiction. This has always been customary in all bases everywhere.

As for other facilities that might be used by Russia, the talk here is about agreements. For example, the Russian Federation sends in an application that it needs a stationing site for a certain ship at a certain harbor in, for example, Feodosiya for six months or a year. In such a case, we conclude an agreement, in which we define terms, a price, ways of making payments, etc. And only after this is done, does the ship obtain the right to temporary stationing. However, the site of its stationing remains our property, that is property of the owners. This is exactly what is done in similar cases nowadays. For example, the Americans pay a visit to Odessa. They sign an agreement on stationing in this port, and they moor. After their stay, they pay the port owners and sail away. This is what the talk is all about.

[Smetanin] The issue of leasing, as far as I have understood you, has been settled in principle, which is consolidated in the declaration.

[Bezkorovaynyy] In principle, the issue was settled a long time ago. There is no agreement as to how to put it into shape in documents. This is the first thing.

Second, the issue of leasing also requires that the problem of payments be resolved in full, which, in turn, requires deep and careful work. This work has separately been done by our side, but it should be bilateral work, since the Russians are the ones who will pay. And they should participate in this work. Still, the work has not yet been completed, and the issue of leasing remains in the area of parallel efforts.

[Smetanin] Volodymyr Harasymovych, what could you say about specific periods of the Black Sea Fleet's stationing on Ukrainian territory?

[Bezkorovaynyy] No agreement on this issue has so far been reached. The talk is about two periods. Russia has shamelessly been proposing 99 years so far. We have not heard other proposals from their representatives. We are offering from five to seven years. A wise principle should prevail. I think that it will win as soon as we tackle this problem practically.

[Smetanin] Can we say today that the fleet has been divided, and that neither side has any grievances in this regard?

[Bezkorovaynyy] We cannot say that, since the fleet has not been divided. So far, certain agreements as to which ships should be in whose possession have been reached. And to do that the Russian side must hand them out, and we must accept them. These ships, however, should be in a working condition, which would make it possible for them to perform their tasks. And this work cannot be done in one day.

[Smetanin] The media have been publishing many reports on selling the Black Sea Fleet infrastructure and ships. What are the latest data regarding this issue?

[Bezkorovaynyy] There are no latest data. Everything has been reported by the press. We know that there are currently attempts being made to sell the Veseloye airfield. However, very serious documents have been sent to Admiral Baltin [commander of the Black Sea Fleet] to prevent him from doing that. Enough has already been sold. We are currently taking measures to return everything. The Veseloye airfield has been the latest case. But, perhaps, it has not been the latest case. Perhaps we do not know of many things....

[Bizhan] It is pleasing that the negotiations held in Kiev became a turning point in our partners' understanding of our position. The declaration clearly says that not Sevastopol, but a base in Sevastopol is the Russian Fleet's deployment site on the Black Sea. Thus, the main stumbling bloc on the way to the further negotiating process has been removed.

The document itself is merely a declaration, which will come into legal force if the Ukrainian and Russian presidents approve it. And once this takes place, we will still have to toil to put everything which was declared into concrete shape. There are no grounds for tranquility.

Economic Issues

Black Sea Shipping Firm Head Ordered To Reclaim Ships

WS1602131295 Lvov INFOBANK in English 1100 GMT 16 Feb 95

[From the "News Service" feature]

[FBIS Transcribed Text] It has become known to an INFOBANK correspondent that Deputy Prime Minister of Ukraine Volodymyr Plitin has issued an order to acting Minister of Transport Oleskandr Artemenko, confirming his appointment of Oleksiy Koval as head of the state sea transport company BLACK SEA SHIPPING. Koval has been given a month to prepare a company statute that will be acceptable by the minister of transport, as well as to take measures to the immediate return of Ukrainian ships to the BLACK SEA SHIPPING COMPANY, given that the transfer of these ships is disadvantageous from an economic point of view. The transfer of these ships by the previous leadership of the company BLACK SEA SHIPPING-BLASCO was a move that was beyond their authority.

Crimea 1994 Industrial Statistics Reported

954F1367A Simferopol KRYMSKIYE IZVESTIYA in Russian 14 Feb 95 p 1

[Report by the Crimean Republic State Committee on Statistics: "The Socioeconomic State of Crimea in 1994: Industry"]

[FBIS Translated Text] The volume of industrial production in 1994 decreased from the 1993 level, and labor productivity fell 19 percent.

The trend towards a reduced rate of decline of industrial production volumes that began in June of the past year was maintained over the second half of the year.

At the same time, the slight increase in production output did not compensate for the drop in production output observed during the first half of the year.

The rate of decline of production volumes at enterprises of virtually all the main sectors of industry remained high in comparison with 1993. The greatest drop in industrial production took place in the petrochemical industry, light industry, glass industry, and ferrous metallurgy, as well as in the cities of Dzhankoy, Feodosiya, Yevpatoriya, Kerch, and Alushta.

In all throughout 1994, a decline was seen in the production volumes of about 76 percent of industrial enterprises.

Results for the past year show that output for the majority of the most important production varieties diminished.

Production of mineral fertilizers over the past year almost doubled.

Under conditions of reduced construction project volume, the output of most varieties of building materials decreased.

Enterprises of the fuel and energy complex extracted 23 times more oil (including gas condensate) in 1994 than in 1993, natural gas—22 percent more, while the generation of electricity was reduced 13 percent.

As of 1 January 1995, the main consumers of fuel accumulated 88,300 tonnes of coal and 45,800 tonnes of furnace fuel oil—lesser amounts as compared with 1 January 1994 stores by 34.8 and 3.3 percent, respectively.

These supplies of coal will be sufficient for only 29 days of enterprise operation, of furnace fuel oil—23 days.

Fuel supplies are completely exhausted at the Crimean Soda Plant, the Kerch, Kirovsk, and Primorsk Building Materials Plants, the Kerch Ship Overhaul Works, and the Kerch Seaport, as well as at many kolkhozes and sovkhozes of Crimea.

The instability of financial policy and lack of a developed tax system are exerting a negative influence on scientific-technical activity. Capabilities of industrial enterprises to invest assets in the technical refitting of production facilities declined appreciably.

Thus in 1994, only five enterprises were engaged in the integrated mechanization and automation of production, and nine enterprises introduced new progressive technological processes. Industrial robots were not introduced at industrial enterprises in 1994, and the introduction of new technological processes diminished by 19.6 percent.

Wage Bill Jeopardizes Financial Stabilization

MK1602140095 Moscow KOMMERSANT-DAILY in Russian 16 Feb 95 p 4

[Report by Aleksandr Yurchuk: "Ukraine Parliament Did Not Listen to the President's Opinion"]

[FBIS Translated Text] The problem of raising wages is again exacerbating relations between the executive and the legislative branches in Ukraine. In spite of a presidential protest, the Supreme Soviet is today planning to give second reading to the labor compensation law. Under the draft, the minimum wage should correspond to the minimum consumer budget, which now stands at 2.5 million karbovanets (approximately 70,000 rubles).

In January the Ukraine Supreme Soviet adopted, in first reading, a wage bill drafted by republic Trade Union Federation experts. Before the debate, Leonid Kuchma asked the parliamentarians to postpone consideration of this bill until the financial situation had stabilized, but the Supreme Soviet ignored the appeal. Insisting that the minimum wage should correspond to the minimum consumer budget, the parliament intends to "go beyond" not only the current Russian minimum wage (20,500 rubles) but also the proposed wage level (54,100).

The bill is opposed by the Cabinet of Ministers and reformist deputy factions, in particular the group called

Reforms. Their arguments are self-evident: A wage increase is bound to bring about a new jump in inflation, which will have a harmful impact on Ukraine's economy. According to Cabinet of Ministers experts, to implement the law, 100 trillion karbovanets of budget funds will be needed, which exceeds the 1995 state budget deficit by several times. And all of this happens when the republic has not as yet made settlements with Russia on its state debts of $2.7 billion.

After the Supreme Soviet adopts a labor compensation law, Leonid Kuchma will find himself in a rather complex situation. The draft budget prepared by the Finance Ministry will be thwarted; the threat of inflation will be real; and problems in getting IMF credits will emerge because the main conditions made by this organization is the freezing of wages and a 5-percent ceiling on the state budget deficit. True, the head of state can veto the bill. But this move will substantially reduce the president's popularity rating among the voters and give a serious trump to the opposition: The president pursues an anti-people policy. Thus, the deputies tend to place the entire burden of responsibility for unpopular measures on the president.

Nuclear Power Plants Near Bankruptcy

LD1602192195 cow ITAR-TASS in English 1903 GMT 16 Feb 95

S Transcribed Text] Kiev February 16 BUSINESS-TASS—Managers of most Ukrainian nuclear power plants intend to send a letter to the president and the parliament to say that they denied their responsibility for scheduled spring and summer maintenance care of the plants, BUSINESS-TASS was told today by sources in the Ukrainian State Atomic Energy Committee.

The administrators say the motive for their ultimatum was a lack of funding of the maintenance programme. Over the past three years, the nuclear sector fetched the Ukrainian economy 80 trillion karbovanets but got in appropriations only 16 percent of the worth of power it produced.

The National Electric Power Dispatcher Centre owes the nuclear power plants 19 trillion karbovanets (100 karbovanets are an equivalent of 3.2 roubles). The sector is close to bankruptcy, and the funding of safety programmes has been actually scrapped.

Worse, manpower drain from the sector increased two- to threefold, the sources said. An insider in the State Atomic Energy Committee quoted official figures saying that 120-140 million U.S. dollars is required to mend the nuclear sector's situation.

Belarus

Hryb Says CIS Assembly Should Not Have New Status

LD1602220795 Moscow INTERFAX in English 1853 GMT 16 Feb 95

[FBIS Transcribed Text] MINSK, Feb 16 (Interfax-West)—Mechyslaw Hryb, chairman of the Belarusian Supreme Soviet, described as ill-timed the proposals made by certain Russian statesmen that the CIS Interparliamentary Assembly should be turned into a supranational representative body of the Commonwealth similar to the USSR Supreme Soviet

He also told a news conference in Minsk that the opposition Popular Front acted hastily in collecting signatures of deputies under a motion for denunciation of the CIS Collective Security Treaty.

Hryb said that the document had not been ratified or enacted and so there is nothing to denounce. He added that the treaty had to be discussed and ratified, "it will cost us nothing but we will gain something."

Asked by journalists about the bilateral Russian-Belarusian agreements signed by the heads of government in Minsk on January 6, Hryb said that the lawyers in the legal department of the Supreme Soviet had determined that three of them, on renting Belarusian military installations , on the status of Russian servicemen in Belarus and on a customs union, are interstate documents that need ratification by parliament.

Parliament To Decide on Ratifying Agreements With Russia

LD1602220095 Moscow INTERFAX in English 1717 GMT 16 Feb 95

[From the "Presidential Bulletin" feature: by Nikolay Zherebtsov, Andrey Petrovskiy, edited by Vladimir Shishlin]

[FBIS Transcribed Text] The Belarusian-Russian agreements on the free trade regime, single customs space and Russia leasing two military facilities in Belarus during 25 years would be transferred to the Belarusian parliament for ratification in the next few days, Belarusian Premier Mikhail Chyhir said on national television on Wednesday in the evening. IF Note: The Belarusian agreement adopted a resolution instructing the ministries and other central power departments of the republic to begin implementing the block of Belarusian-Russian inter-governmental agreements ten days ago. Russian Deputy Premier Aleksey Bolshakov and Belarusian Premier Mikhail Chyhir signed the bilateral agreements in Minsk on January 6. The Belarusian opposition and many parliamentarians accused the government of exceeding its powers and violating the law on the presence of Russian troops in Belarus in accordance with which Russian troops must leave Belarus in 1996.

Chyhir said the government would submit the bilateral agreements for ratification by the parliament in response to sharp criticism coming from parliamentarians who feared that Belarus could lose its sovereignty because of the agreements. He said the parliament would have to decide whether to save Belarusian enterprises from paying the customs duties on Russian energy supplies or not. He said that if the bilateral agreements were not ratified Belarus would have to pay world prices for Russian oil and gas.

Commenting on the economic situation in Belarus, Chyhir said that the government had managed to slow down the precipitous fall of the economy which could pave the way for improving the living standards for the people. He said that, according to statistics, the decline in the output was a little bit more than 2% in Belarus in January 1995 comparing to last January.

However, Chyhir said that, according to a poll, 87.2% of the Belarusian population considered the economic situation in the republic as a crisis. Total of 73.3% of respondents said their financial situation in 1994 was much worse than in 1993. The same number of respondents said they feared that their life would be much worse in 1995.

Chyhir said the government was now working on raising the minimum monthly wage from 30,000 to 60,000 Belarusian rubles ($1=11,600 Belarusian rubles). At the same time, Chyhir said that when raising the minimum wage the government would also have to review prices for food products, primarily dairy products, and raise the tariffs on public utilities. He said the government was also discussing possible payment of allowances to the least-well-off categories of the population.

Chyhir said the "uneasy" situation for the people was mainly a result of the drought in Belarus last summer killing about two thirds of the crops in the Republic.

Chyhir thanked Belarusian President Alyaksandr Lukashenka for "rarely interfering with the decisions made by the government" and "not exercising much pressure" on work of the government and parliament.

Interior, Foreign Ministers Deny Resignation Rumors

LD1602220695 Moscow INTERFAX in English 1717 GMT 16 Feb 95

[From the "Presidential Bulletin" feature, compiled by Nikolay Zherebtsov and Andrey Petrovskiy and edited by Vladimir Shishlin]

[FBIS Transcribed Text] Belarusian Interior Minister Yuryy Zakharenka is not going to apply for resignation, the Interior Ministry told Interfax when commenting on the allegations about Zakharenka signing an application for resignation to the Belarusian president.

Zakharenka was erroneously reported to have applied for resignation after the Belarusian president had dismissed the first deputy interior minister without consulting Zakharenka. Some media alleged that Zakharenka had demanded that the deputy be restored on his post threatening by his resignation.

The Interior Ministry told Interfax that it had not received such a decree of the Belarusian president dismissing the deputy minister.

A well-informed source in Minsk denied rumors about possible resignation of Belarusian Foreign Minister Uladzimir Syanko in the near future in an interview with Interfax. Some sources alleged that Syanko was ready to resign as he disagreed with the president on the guidelines of the foreign policy. The same sources allegedly reported that Syanko had said he was oriented both to the West and to the East while the president was oriented only to the East.

Moldova

Snegur, Dniester's Smirnov Agree To Meet Every Month

AU1602125595 Chisinau INFOTAG in English
1930 GMT 15 Feb 95

[FBIS Transcribed Text] Chisinau INFOTAG, 15/2/1995—Moldovan President Mircea Snegur and the leader of the self-styled Dniester Republic Igor Smirnov met in Tiraspol today.

According to an official communique distributed in Tiraspol, the sides have considered the documents prepared and submitted by expert groups, and discussed economic issues of mutual interest.

They have agreed to continue consultations on special legal status for Dniester and to further negotiate economic cooperation issues and other directions of mutual activities. As was decided earlier, such meetings have to be held every month, the two leaders confirmed.

Today's meeting lasted five hours behind closed door, with the media and press-service officials kept out.

Dniester Opposes Ratification of Accord on Army Withdrawal

AU1602163495 Chisinau BASAPRESS in English
1930 GMT 15 Feb 95

[FBIS Transcribed Text] Chisinau BASAPRESS, 15/2/1995—The Dniester Supreme Soviet will delegate to Moscow a group of deputies with the mission to make the Tiraspol position known to their Russian counterparts. Tiraspol opposes the ratification of the Moldovan-Russian agreement on the 14th Army withdrawal. The Tiraspol Supreme Soviet adopted yesterday a decision which regards the 14th Army withdrawal as inopportune on grounds that Moscow and Chisinau have ignored Tiraspol's opinion when they signed the Russian troops withdrawal agreement. The Supreme Soviet has approved of the Dniester president regarding the interdictions imposed on the drawing out of military hardware purchased by Dniester from the 14th Army. Citing this decree in an interview with Tiraspol newspaper DNESTROVSKAYA PRAVDA," General Lebed said that the state of alert that embraced Smirnov is unfounded. Also, Lebed said that he did not receive any instructions from the Russian Ministry of Defence regarding the withdrawal of the Russian Army from Dniester. In his opinion, "from a military point of view, there are no difficulties with respect to the Army's withdrawal from Dniester," the Army can be withdrawn if there are "platforms on railroads and the necessary political decision." At the same time, Lebed particularly stressed that currently Russian troops withdrawal from Dniester is out of the question because there are no adequate political premises which, however, could be offered by the determination of Dniester's status as stipulated in the Moldovan-Russian agreement.

US. To Train Army Unit in Peacekeeping Operations

LD1602165195 Moscow ITAR-TASS in English
1446 GMT 16 Feb 95

[By ITAR-TASS correspondent Valeriy Demidetskiy]

[FBIS Transcribed Text] Chisinau February 16 TASS—During a visit of Moldovan President Mircea Snegur to the United States, the U.S. side expressed the readiness to help train a unit of Moldovan Army for the participation in peacekeeping operations under the United Nations auspices. Moldava intends to form the unit in the framework of its participation in the "Partnership for Peace" programme, press secretary of the Moldovan Defence Ministry Viorel Cibotaru told reproters on Thursday [16 February].

Cibotaru said the U.S. side will provide legal aid, will help equip the unit and help in linguistic studies, so that the unit meets the standards for U.N. peacekeeping forces. The unit will possibly participate in exercises of U.N. peacekeeping forces in future.

During the Moldovan delegation's stay in the United States, arrangement on cooperation in a number of directions has also been reached. Several places will be assigned for Moldovan officers in U.S. military training establishments. Moldovan military will be assisted in English studies. Equipment for two lingophone classes for a military school was delivered to Chisinau. Teachers from the United States are expected to arrive. The United States also intends to help Moldova to cope with emergency situations and natural disasters. It will provide literature on the subjects and equipment.

Kazakhstan

Nazarbayev Announces New Forum for Ethnic Groups

LD1602193195 Almaty Kazakh Radio Network in Russian 1500 GMT 16 Feb 95

[FBIS Translated Excerpt] President Nursultan Nazarbayev today met leaders of ethnic cultural centers and members of the Presidium of the republic's Council of Veterans.

In order not only to preserve, but also to strengthen stability and interethnic peace in society, the head of state said in his address to them, there is now a need to establish a new public institution: An Assembly of Accord and Unity of the Peoples of Kazakhstan [Assambleya Soglasiya I Yedineniya Narodov Kazakhstana] as a consultative body working under the president's direct leadership.

Among the main tasks of the assembly, Nursultan Nazarbayev singled out assistance for the spiritual revival and development of the numerous ethnic groups living in the republic; the development of a culture of interethnic relations based on the civilized and democratic norms of life; observance of the interests of the different peoples in the ethnic policy conducted by the state; the search for political compromises to resolve social contradictions and other problems that appear in the society; and expert examination of draft laws relating to ethnic issues.

The participants in the meeting unanimously supported the idea of creating the assembly and put forward concrete proposals for its program of future activity, which is aimed at unifying members of various ethnic groups who have a common historical destiny. [passage omitted]

Joint Kazakhstan-Russian Newspaper Established

LD1702093695

[FBIS Editorial Report] Almaty Kazakhstan Television Network in Russian at 1500 GMT on 14 February carries a report on a new Russian-language newspaper called KAZAKHSTANSKO-ROSSIYSKAYA GAZETA (KAZAKHSTAN-RUSSIA NEWSPAPER). It has started being published in Almaty, Akmola, Moscow, and St. Petersburg. The newspaper is aimed at politicians, businessmen, economists, and public movements in both countries.

"The main focus of our KAZAKHSTANSKO-ROSSIYSKAYA GAZETA is on the problems of the two states," V.P. Ivanov, the paper's founder and head of a company known as Vostochnyy Stil, says. Ivanov says he hopes the newspaper's content would not be purely analytical, but would help "choose a direction without the kind of mistakes that have been and are being made in Russia." The newspaper also plans to tell its readers about international experience of economic reform, he says.

A special column in the newspaper will cover the continuing emigration of Russians from Kazakhstan. It will be titled: "Come Back My Dear, Come Back!"

Answering a question from a Kazakh Television about the proportion of Kazakh and Russian subject-matter the paper will carry, its chief editor, A. Nurmanov, says this would depend on the "dynamics of events and processes in Kazakhstan and Russia."

Dzhaganova on New Revival Party Objectives

954F1364A Almaty KAZAKHSTANSKAYA PRAVDA in Russian 14 Feb 95 pp 1, 4

[Interview with Altynshash Dzhaganova, writer, playwright, and leader of the Revival Party of Kazakhstan, by Elmira Pashina, KAZAKHSTANSKAYA PRAVDA; place and date not given; "Do Not Think Condescendingly of a Woman... Or How Altynshash Dzhaganova Arrived at the Idea of the Need To Create the Revival Party of Kazakhstan. And Established It"]

[FBIS Translated Text] **The Prosaist:** A member of the Union of Writers, she graduated from the Literary Institute imeni M. Gorky. The collections of stories "Amina, Wolves, and the End of the World," and "Akkoyan—the White Hound" sold out in a matter of days. Eight plays have been staged by the Academic Theater imeni Auzzova, the Tashkent Theater imeni Khamzy, and practically all oblast centers. She is the author of the script for the film "Muslima," concerning the resettlement of oppressed Germans in Kazakhstan. Late in the evenings—the "third shift": Work on the play "Ayganym," about granny Chokhana Valikhanova. She writes plays for the national theater in the Kazakh language, and prose—in Russian.

The Woman: She is the mother of three children, and two grandchildren are growing up. Her husband, Anes Sarayev, received the state prize this year for his novel "The Volga and the Urals." The household can hardly wait for Sundays: There certainly will be something tasty, and all problems are resolved there and then at the table. There are no days off for a hairdo or a manicure.

The Legislator: A deputy of the Supreme Council. While in the last convocation she headed the Committee for the Protection of Motherhood and Childhood, in this one she heads the Committee on the Culture of the Press, the Mass Media, and Public Associations.

The Politician: She very recently became the head of the Revival Party of Kazakhstan (PVK).

"Can you bear the burden, and is there not too much in all of this for the lot of one woman?"

"Everything is interrelated and organic for me," Altynshash Kairzhanovna smiled with a frankness and charm that is natural to her. But something made me doubt that before me was a completely happy person.

[Pashina] At a meeting of the organizational committee just before the first constituent congress of your party, you spoke, without beating around the bush, about the fact that politicians are coping with their duties poorly, and in a certain measure you associated this with a failure to call on the intellectual potential of women. Do you really think that they will voluntarily share at least a part of their authority? We do not live in the West, and the mentality of our society, men maintain, is thoroughly imbued with the "Asiatic way of life."

[Dzhaganova] The fact that the Revival Party is unwelcome can be judged by the first congress, which was held in the unheated House of Scientists—"they forgot" to turn on the heat, and those who were assembled had to sit in their outer garments. What is more, on this day and at this hour numerous very high-level conferences were scheduled. Thus, none of the ministers, no one from the president's staff and the Supreme Council, and none of the well-known economists and politicians came.

[Pashina] Not even representatives of the other six parties?

[Dzhaganova] No.

[Pashina] Maybe it was a confluence of circumstances?

[Dzhaganova] More likely, embarrassment. It is a pity—they would have come and heard what kind of corner today's average woman has been forced into. It is often the most difficult sphere of activity that is assigned to her. This includes evening shifts and production that is dangerous to one's health, and she is the first to be discharged. Moreover, at times she is a mother with a large family or a single mother. That is why the PVK considers one of its most important tasks to be the social and legal protection of each Kazakhstani woman.

[Pashina] It has to be supposed that the PVK is strictly a women's party?

[Dzhaganova] By no means. Our priority task is to protect the interests of all of those who today are the most downtrodden and vulnerable. Protection of the interests of the middle class that is now forming: creative workers, employees of health institutions, education, culture, science, the social sphere, businessmen, civil service employees, directors and specialists of enterprises, pensioners, invalids, the unemployed, hired workers...

[Pashina] Your range, however... It is difficult to imagine that a plant director and a worker who suddenly ends up "overboard" are like-minded people.

[Dzhaganova] Today's plant director and unemployed person are potential commodity producers whom the state has given up as hopeless. But we are offering them our support. Just the number of those officially registered as having lost a job total 75,000, another 500,000-700,000 are under the threat of discharge, and about 200,000 are on involuntary unpaid leave.

The press has published preliminary indices of the economic and social situation of the republic for the past year. They are simply disheartening: Industrial production was reduced almost by one-third. The foreign debt is 180 billion tenge. And all the failures for some reason are labeled "intensification of reforms."

But take the standard of living of the population. If the cost of two kilograms of beef or sour cream is almost twice as high as the size of a minimum pension, then we should not be talking about poverty, it is a question of hopelessness and massive impoverishment. The most accessible product for large families, pensioners, and the poor—bread—has become 26 times more expensive! A wild paradox: A grain state that sells wheat to Central Asiatic neighbors feeds its own people with very expensive bread. And this given the fact that, according to its importance, wages in Kazakhstan are significantly lower than, for example, in Turkmenistan or Russia.

[Pashina] It is said more and more frequently that this is a consequence of the state's financial and credit policy.

[Dzhaganova] It would be nice if this was said more distinctly from high tribunals. The tax on added value, on profit, and a whole package of other indirect taxes are causing prices to literally grow daily on everything and to be among the highest in the CIS. At the same time, rank and file workers are the main taxpayers. Today, in revenues to the budget, so-called indirect taxes from the population exceed by a factor of two direct taxes from enterprises, inasmuch as hundreds of them are either idle or are not in a position to make deductions for the budget.

[Pashina] Today's social sphere looks like an orphan under an active government. The average wage of teachers, doctors, and workers in culture and art is lower by a factor of 2.5 than in the national economy. Obviously taking this fact into account, on 10 January of this year the president adopted the decree "On Measures for Social Support of Workers of Individual Branches of the Social Sphere." In your opinion, to what extent will it be effective?

[Dzhaganova] Judge for yourself, starting on 1 January the wage has been increased by a sum that is equal to a single quantity of the minimum wage; that is, by 200 tenge. Now, for example, a school teacher will begin to receive 1,985 tenge per month which, however, is 2,000 less than the average in the national economy. So that is the way it is all apportioned. In my opinion, real fellow-champions remain in the schools today. In a village school in Tarbagatayskiy Rayon, East-Kazakhstan Oblast, several children did not anticipate the approaching cold weather. A teacher, after canvassing a lot of homesteads, returned in tears: "They simply have nothing to go outside in..." The director, after thinking about this a while, went "with outstretched hand" to directors of organizations and services, and put in his own money. By evening they had clothed and put shoes on the children. The next day, they all came out together. But how many children are there in the republic who cannot sit behind a school desk, especially in the rural localities...

At the same time, it is said that reforms mean nothing here. Was it not their ideologists who tried to convince us that if the sovkhozes and kolkhozes were eliminated and the land, cattle, and other material valuables were distributed to the homesteads, everything would resolve itself? Getting away with general declarations about the market and privatization, the government was still unable to present a clear concept to the village. You cannot say it better than with figures: While in 1990-1991, 42,000 tractors and 25,000 grain combines were delivered to the villages, last year villagers were able to buy only...98 tractors and not one combine.

I drive around the oblast and sovkhoz divisions a lot. The picture is depressing. Neither oblast nor rayon leaders meet with the people. The poverty is incredible. Directors of sovkhozes do not give a damn, they are busy with personal privatization, and welfare is authorized "from above." The voice of parliament deputies does not mean anything. Not long ago I myself was convinced that power should be centered in one person. How mistaken I was! Lately, so many district princelings have appeared...

[Pashina] Altynshash Kairzhanovna, you are undoubtedly a person who is candid and not indifferent, and your ability to keenly sense the neglect of a "little child," as a Russian classic said, means a lot. But an ordinary mortal politician is distinguished not so much by an ability to empathize as by an ability to analyze and forecast. Is your party able today to propose specific anticrisis measures to the government?

[Dzhaganova] Our portfolio has a comprehensive economic program on which demanding economists worked. In this connection, continuing the discussion on the problems of the village, I will say that we associate the implementation of strategic objectives in the agrarian sector directly with the guarantee of national food security. This is a very important fact. It arose with the acquisition of sovereignty, and it stipulates the need to have a developed system of state support of the food complex.

[Pashina] If you are not opposed to it, let us talk about privatization, about which there is so much idle talk...

[Dzhaganova] No wonder, after all, it is the core of the reforms. In our view, the necessity has arisen to revise the entire program of destatization and to prepare new redactions of pertinent laws.

First, to earnestly undertake an inventory of the main state- owned facilities. Second, to establish a list of facilities that are left with the state. Third, to conduct a reassessment of the value of privatized facilities. Fourth, to rule out the possibility of the monopolization of large enterprises through holding and various other companies. Fifth, to ensure that the people become real shareholders, and that privatization in fact involves a large number of people.

Special attention should be paid to the development of small and medium-sized businesses; after all, they are the main link in the formation of a competitive environment. This is precisely why our program raises the question of granting them privileges in the form of tax credit and an opportunity to permit them to participate in privatization according to special projects and in international tenders and auctions, and to establish a center or an association of small and medium-sized enterprises along the lines of the U.S. Small Business Administration in each oblast.

It appears that Tereshchenko's Cabinet has "twisted" privatization exclusively in the interests of a narrow circle of persons who are close to the ruling nomenklatura. The new Cabinet of Ministers is at a crossroads, and some are proposing to stop the process of privatization entirely. But it is impossible to do this either: A whole number of unfairly offended groups and collectives will appear. It is less painful to change the scheme of privatization itself, as we propose, directing it truly in behalf of the interests of the majority.

[Pashina] Nevertheless, how does the PVK differ from the other parties, for example, the People's Congress, the SNEK [Union of People's Unity of Kazakhstan], or the Socialist Party? It is easy to encounter such common words in program documents as "peace" and "international harmony," and, for example, only the lazy do not write about the problems of invalids, but specific deeds are not visible yet.

[Dzhaganova] I do not like such a statement of the issue. Why must we without fail differ from each other? Why should we fear an identity of program objectives and tasks? The presence of parties and political currents promotes a system of checks and balances in the state and makes our life more stable. This is the main thing.

Now, as for "common words." I said at the beginning of the interview: Everything that I work on is interrelated and organic for me. Not long ago I was working in real earnest on questions of motherhood and childhood and, today, to the extent of my abilities, I am resolving the problems of invalids. Not only as a service duty, rather—not so much... For years, from day to day, to see how your invalid child is suffering, to do everything that is possible and impossible, and then to lose him... You would not wish this on an enemy. And you say: common words.

[Pashina] You are very likely right.

[Dzhaganova] International agreement. This word combination also has a special meaning for me.

When oppressed Germans were brought to the village of Astrakhanka in Akmolinsk Oblast, my parents were living in a small settlement—it was more convenient for my father to walk the herd of kolkhoz horses from there. Far from alien eyes and gossip. It is possible that this played a role in the fact that one evening our family increased by six persons all at once. But I think that a faculty for compassion nevertheless played a big part in my parents' act.

Broken by life and illnesses, Emiliya, the mother of five children, did not last a year and died. Then Frida was buried. The boys were saved, and for a long time I still did not understand the notion of "nationality," because I was born in 1945, when the German brothers became the full children of Kazakh parents. Today they and their families are the very closest relatives. Incidentally, the script for the film "Muslima"—this is what they called mama—is about all of this...

When I say that Kazakhstan should be revived first of all as a state of citizens with equal rights regardless of their national origins, I do not talk with an alien voice. But out of conviction.

Today, when all guidelines are eroded, many of us are looking more intently into the past in search of harmony. Probably, to bring a fitting future closer. Just for the sake of this, it is worth living and conscientiously carrying out one's destiny.

Nuclear Device To Be Extracted From Tunnel

95WP0048A Almaty KAZAKHSTANSKAYA PRAVDA in Russian 14 Feb 95 p 3

[Article by KAZAKHSTANSKAYA PRAVDA correspondent Sergey Borisov under the rubric "Emergency": "Nuclear Charge Has Been Sitting in the Degelen Mountains for Almost Four Years"]

[FBIS Translated Text] Kurchatov, Semipalatinsk Oblast—**Another meeting of the coordinating group, set up in keeping with the agreement between the Republic of Kazakhstan Government and the Russian Federation Government, on dismantling the nuclear device installed in the Semipalatinsk nuclear test site before it was closed, was held in Kurchatov.**

The group reviewed conformance to the work schedule. It calls for the end compartment with the nuclear explosive device to be opened up in the first 10 days of March. At that time, specialists from the Russian Federal Nuclear Center will arrive in Kurchatov. They will be the ones to make the final decision on the fate of the nuclear explosive device.

The nuclear device was installed in gallery No. 108 almost four years ago in May 1991. This small, as nuclear devices go, 0.3-0.4 kiloton charge was meant for testing new types of weapons and military equipment for resistance to destructive factors of an atomic explosion, specifically, the impact of extremely high x-ray radiation. The nuclear charge was installed at the end of the gallery; heavy cement was poured on the plug with a channel for radiation escape; further in the shaft, samples of weapons and measuring devices were set up. The entry opening was sealed to keep reaction gas from escaping outside during the explosion. The gallery runs 600 meters into the rock; over it is a 130 meter thick granite roof. Such installation guaranteed a safety margin several times over.

No command was given to explode the nuclear device...

I still have in my notebook notes of the conversation with Major General Fedor Safonov, chief of the Semipalatinsk test site, made in the fall of 1993. "The charge was supposed to go off before August 1991. The disintegration of the Union, the unclear position of Russia and Kazakhstan, and the powerful antinuclear movement kept this physical experiment from being carried out. In September an order was issued to close down the Semipalatinsk test site. Naturally, this ruled out any nuclear explosion.

"The test site fell silent forever. But the nuclear charge just stayed in the Degelen mountains. And it is still there. Thank God it was not installed in a well, because then it would be impossible to retrieve it from a depth of 800 meters.

"The question arose as to what to do about the nuclear device. Several projects were proposed. One of them—the bypass gallery option—proved flawed and had to be reworked. In March 1993 it was ready. It was then, in my opinion, that they decided to 'play games.' Instead of beginning its implementation in a routine manner, this matter was handed over to diplomats of Russia and Kazakhstan. Such processes take a long time in Ministries of Foreign Affairs. It took half a year, six months, to work out a several-paragraph agreement. When both delegations finally gathered in Almaty, I shamed them for this..."

After long delays, however, a coordinating group was finally set up, which included representatives of the Russian Minatom [Ministry of Atomic Energy], the Federal Nuclear Center, the National Nuclear Center of Kazakhstan, the Russian Federal Oversight of Nuclear and Radiation Safety, the MVD [Ministry of Internal Affairs], the Ministry of Foreign Affairs, and the Ministries of Defense of both states.

The experts group is headed by a Russian Federal Nuclear Center representative—57-year-old Doctor of Technical Sciences Aleksandr Shcherbina. His team includes the cream of Russian military science; these people have behind them dozens of nuclear explosions conducted at the Novaya Zemlya and Semipalatinsk nuclear test sites.

The current meeting of the coordinating group is the fourth. It was held behind closed doors. It was the wish of the Kazakhstan side not to invite journalists to cover the experts' work.

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Only one representative of the mass media—a KAZAKHSTANSKAYA PRAVDA correspondent—happened to be in Kurchatov at the time, having come to collect material on the work of the National Nuclear Center.

Naturally, to miss such a chance—to meet the mysterious "bombmakers" and talk to them—would be a sin.

To be honest, I went to the experts meeting with trepidation. Goodness—such people! My fears were unnecessary. The nuclear physicists, despite all their degrees and knowledge, turned out to be quite casual, communicative, and witty people. But they do mind their business: not a word beyond what is necessary—a result of many years of training. We started with "small talk," and then gradually, imperceptibly shifted to that particular nuclear device. The person who took the leap to break the taboo was the group leader, Aleksandr Shcherbina, on condition that this was not an official interview—just a private conversation.

"I want to particularly emphasize," he said, "that what is sitting there in the gallery is not a nuclear bomb, as some journalists write, but a nuclear explosive charge. A nuclear weapon goes through many cycles: assembly, disassembly, checks and double-checks; it is designed for lengthy storage. This is a completely different thing.

"We have been working toward this experiment for almost 20 years. The entire scheme of protective structures was designed in such a way that it would intercept and localize the products of an explosion. There is at least some consolation in that a similar test was successfully conducted earlier in the 132-B gallery. That is why we were proceeding so confidently and bravely with the repeat experiment. It was not to happen..."

From further conversations with the experts I found out that both the Americans and we ourselves had two or three instances when an explosive device for some reason did not go off and had to be extracted from the gallery. This was done, however, right away—hot on the trail, so to say. The current incident is unique. World practice has no examples of nuclear charges sitting for so long outside a nuclear storage facility where the necessary monitoring of the state of the fissionable material is done. That is why nobody can say with 100 percent guarantee how the device will behave after staying in the gallery so long.

As to the problems associated with extraction of the charge, there are plenty. Even the simplest questions have to be resolved at government level. It took a great effort to find experienced sinkers. When the protective wall near the portal was opened in order to extract the samples of equipment and the physical unit, it turned out that the gallery was flooded. Only pressure-sealed manholes—fortuitously left open—saved it from being completely flooded. In many places props had rotted and rock had collapsed. After repairs, the main work began, but because of heavy rains the gallery was flooded again. Then there was a forced lull because of financial difficulties. The money allocated by the Russian Minatom and transferred to the account of a small enterprise got lost for a long time in the banking jungle. (By the way, the Russian side is covering all the extraction expenses. Which are estimated to be at least R1.5 billion.)

Now the most difficult part has come. The sinkers' task is to cut a bypass working in the rock next to the main shaft in order to get to the compartment containing the charge from the blind end.

Only 30 meters are left to go. Work is being conducted with all precautions. In order to minimize disturbances to the charge, explosives of lesser power are placed in the spurs. The sinking speed is 90 cm a shift. Radiation monitoring takes place in the gallery; all important events are videotaped.

And what is there, behind the last 30 meters? A concrete wall, which will have to be cut through with pick hammers—it looks like the guys in MP [international enterprise] Degelen have good nerves!

Who will be the first to enter the charge chamber? Most likely it will be not one but three or four people led by the chief designer, Academician Boris Litvinov. They will be the first to "probe" the charge and resolve the main question: whether to begin dismantling the nuclear device if its condition permits, or destroy it in the gallery using conventional explosives. Who will take such responsibility upon himself?

The Kazakh side believes that the ideal option would be to dismantle the nuclear device and take it outside the republic.

However, if there is the slightest doubt about the safety of dismantling it, Russia will not risk the lives of the people doing this work and the charge will be blown up—this is the firm opinion of the other side.

There is no chance of a chain reaction in such a case. Naturally everything will be done to keep particles of the nuclear contents from escaping outside.

When you read these lines, stop and think for a moment: At this very time, behind a double-security ring, extremely dangerous work is being done in the Degelen mountains. Apparently, such is our fate: First create difficulties, and then bravely overcome them.

Kyrgyzstan

NATO, Bishkek To Make Cooperation More Active

LD1602182495 Moscow INTERFAX in English 1606 GMT 16 Feb 95

[FBIS Transcribed Text] BISHKEK, Feb 17 (Interfax)—NATO is interested in developing and activating cooperation with Kyrgyzstan in the frameworks of the Partnership for Peace program. This statement was voiced at a press conference in the republic's Foreign Ministry Thursday [16 February] which was devoted to arrival of NATO delegation to this country headed by Colonel Dan Kwist.

It was declared that the Foreign Ministry and Defense Ministry have prepared a document on the republic's participation in Partnership for Peace program which will be considered in NATO headquarters in Brussels and an individual program of actions will be developed on the basis of this document.

Participants of the press conferences underlined NATO's interest in rendering assistance in projects on environmental protection, research programs, military production conversion, and technical assistance to fight natural disasters.

Dan Kwist expressed interest in Kyrgyzstan's active involvement in programs, seminars, and conferences on regional economic and environmental security.

Representative of Kyrgyzstan's Foreign Ministry expressed interest in Kyrgyz servicemen's participation in exercises of the US armed forces as supervisors.

Nazarbayev Opposes Any Manifestations of Separatism

LD1602220195 Moscow INTERFAX in English 1853 GMT 16 Feb 95

[FBIS Transcribed Text] ALMATY, Feb 16 (Interfax)—Kazakh President Nursultan Nazarbayev said he believed that he, as the head of state, must toughly oppose any manifestations of separatism in the republic.

He told representatives of the national-cultural centers of Kazakhstan in Almaty today that Kazakhstan was outgoing other ex-Soviet republics by the rhythm of overcoming the crisis. He said this was proved by decreasing the inflation rate, stabilizing the exchange rate of the tenge and a "small" growth in the industrial output during the recent months.

Nazarbayev said the peak of migration in Kazakhstan had been registered in 1994. He said he believed the migration was due to economic difficulties. He said he was sure that the number of those leaving Kazakhstan in 1995 would be a minimum. Nazarbayev said that about 100,000 people who had earlier left Kazakhstan, had returned to the republic.

Otunbayeva Hopeful Over Cooperation With New Parliament

LD1602181495 Moscow INTERFAX in English 1552 GMT 16 Feb 95

[From the "Diplomatic Panorama" feature: by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] BISHKEK, Feb 16 (Interfax)—Kyrgyzstan's Foreign Minister Roza Otunbayeva hopes to engage in constructive cooperation in foreign policy issues with the newly-elected parliament.

Kyrgyzstan's Foreign Ministry is ready for such cooperation, she stressed in an interview with Interfax in Bishkek on Thursday [16 February]. It will grant the newly-elected parliament all the necessary documents, including its foreign- policy concept, for discussions.

According to Otunbayeva, she hopes that the Kyrgyz parliament, like its counterparts in civilized countries, will listen to what the head of Kyrgyz diplomacy has to say in regard to one foreign-policy issue or another.

She said she hopes that the bills to be adopted by the parliament will make it possible for Kyrgyzstan to "actively maneuver" in the area of foreign policy.

As Otunbayeva said, "the geopolitical situation of Kyrgyzstan - a small country wedged between gigantic nations, which are big players on the world scene - induces Bishkek to be very resourceful, dynamic and even paradoxic sometimes."

"Kyrgyzstan has no 'grand ambitions'; the destiny of other countries and peoples does not depend on it. Kyrgyzstan is no Uzbekistan - a country that can afford to follow a solid, slow policy and react weakly. On the other hand, it is admissible for Kyrgyzstan to ask the international community for aid," Otunbayeva said.

"Kyrgyzstan has a reserve of trust and a good reputation in the world," she noted. "We are able to keep secrets and can serve as a place for settling long conflicts," she added. "Why cannot Kyrgyzstan become the place for a dialogue on Jammu and Kashmir, for instance?"

Otunbayeva believes that, as the head of Kyrgyz diplomacy, she must work to intensify Kyrgyzstan's activity on the world scene. "Our activity must be more open and more sympathetic toward the problems of other countries," she said.

Tajikistan

OSCE Recommendations on Elections Rejected

LD1602185995 Moscow INTERFAX in English 1717 GMT 16 Feb 95

[From the "Presidential Bulletin" feature: by Nikolay Zherebtsov, Andrey Petrovskiy, edited by Vladimir Shishlin]

[FBIS Transcribed Text] Parliamentary elections in Tajikistan will not be postponed but held on February 26 according to plan, the head of the Tajik Foreign Ministry information section Zafar Saidov told a Thursday [16 February] briefing in Dushanbe.

He said lately the media have been discussing the need to put off the elections for several months on the grounds of recommendations of such influential international organizations as the UN and OSCE].

"The Tajik leadership believes that the need to guarantee conditions for the participation of the opposition in the campaign can be the main reason for a postponement. That is why Dushanbe inquired opposition representatives on the matter. However, opposition leaders showed no interest in participating in elections at this stage, even if voting were put off by several months", Saidov said. For this reason the question of postponement was dropped from the agenda, the spokesman said.

Meanwhile, the German embassy issued a statement in Dushanbe expressing regret on behalf of the European Union that the steps taken by the Tajik authorities do not guarantee democratic parliamentary elections. For this reason EU countries did not find it possible to send observers to the elections in compliance with the invitation of the Tajik government, the embassy said.

The statement stresses that the stance will be altered, only if the government makes a decision to change the date of elections to keep them in keeping with OSCE recommendations.

The OSCE bureau for democratic institutions has decided not to send observers to parliamentary elections in Tajikistan, Interfax was told by a high-ranking mission member.

According to him, the OSCE believes Dushanbe ignored the recommendations of the organization concerning elections. Besides the acting election law does not permit free democratic elections or guarantee broad involvement of all opposition parties and movements.

The mission member stressed that if despite this political ultimatum elections are held on February 26, the OSCE will draw appropriate conclusions.

Independent observers think that disregard for such recommendations might lead to the closure of the mission in Tajikistan.

OSCE, EU Refuse To Send Election Observers

LD1602105095 Moscow ITAR-TASS World Service in Russian 0940 GMT 16 Feb 95

[By ITAR-TASS correspondent Galina Gridneva]

[FBIS Translated Text] Dushanbe, 16 Feb—The Bureau for Democratic Institutions and Human Rights under the Organization for Security and Cooperation in Europe [OSCE] will not send its official representatives to Tajikistan to take part in the parliamentary elections scheduled for 26 February, if the official Dushanbe does not re-examine its decision to postpone the elections with regard to recommendations of the OSCE, Gancho Ganchev, head of the OSCE mission in Dushanbe told an ITAR-TASS correspondent in an exclusive interview today.

According to him, this decision was taken because the existing law on parliamentary elections, which rules out wide and free participation of whole groups of the population as well as opposition parties and movements in the elections, is not democratic. Ganchev also said that his office was aware of cases where the authorities had abused their power in order to influence the progress of the campaign in Tajikistan and where the Central Election Commission was directly interfering with the process.

In this situation the OSCE does not consider it possible to send its official observers to monitor the progress of the parliamentary elections. If the elections are not postponed, this European organization will draw appropriate conclusions from this.

The leadership of the European Union has taken a similar tough stance toward the forthcoming parliamentary elections in Tajikistan. Today the German Embassy in Dushanbe has circulated a statement on behalf of the European Union that says, in particular: The member countries of the European Union state with regret that the measures being taken by the Tajik authorities so far do not guarantee that democratic parliamentary elections will be held. In this respect the members of the European Union do not consider it possible to send their representatives to Tajikistan for the forthcoming elections. The statement expresses hope that the Tajik authorities will be able to reconsider their decision and take into account OSCE recommendations concerning postponement of the forthcoming elections.

Foreign Ministry: Postponing Elections 'Not Expedient'

LD1602110795 Moscow ITAR-TASS in English 1041 GMT 16 Feb 95

[By ITAR-TASS correspondent Galina Gridneva]

[FBIS Transcribed Text] Dushanbe February 16 TASS—The Tajik authorities believe it is not expedient to postpone elections to the national parliament of the republic (Majlisi-Oli). They will be held on February 26, on the day named by the December session of the Tajik Supreme Soviet. This was announced today at a briefing for local and foreign journalists by Zafar Saidov, head of the information department of the Tajik Foreign Ministry, on the instruction of the Tajik leadership.

According to the spokesman for the Tajik Foreign Ministry, the official statement is a response to reports of some Russian and other mass media organs about a possible postponement of the elections. Insistent recommendations on that problem came from a number of international organisations, primarily the Organisation for Security and Cooperation in Europe and the European Union, which maintain that the elections should be postponed because it is necessary to ensure the participation of representatives of the opposition in them.

According to Zafar Saidov, the Tajik Government was ready to examine the issue on condition that the opposition would express readiness to take part in the elections and to recognise their results. It follows from a report of Ramiro Piris Ballon, special envoy of the U.N. secretary-general, submitted early in February, that Tajik opposition leaders did not display any interest in taking part in the parliamentary elections on the current stage, even if they are postponed for several months. In this situation, the Tajik Foreign Ministry spokesman said, the postponement of the elections would be senseless.

Introduction of New Tajik Ruble Discussed in Moscow

LD1602145895 (Clandestine) Voice of Free Tajikistan in Tajik 0900 GMT 16 Feb 94

[FBIS Translated Text] Tajik Prime Minister Dzhamshed Karimov accompanied by the representatives of other ministries has arrived in Moscow.

The aim of his visit is to expand the economic and trade ties with Russia.

It is thought that his meetings with Moscow will also focus on the introduction of the new Tajik ruble. According to experts, Karimov is trying to resolve those problems, which were not resolved over the past two years by his predecessors Abdullojonov and Samadov.

Rakhmanov Hopes To End 'Deep Crisis' in Economy

LD1502204895 Moscow INTERFAX in English 1853 GMT 15 Feb 95

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov and Andrey Petrovskiy, edited by Vladimir Shishlin]

[FBIS Transcribed Text] Tajikistan's economy must be helped out of the deep crisis in 1995, President Emomali Rakhmanov said. He was speaking at a national conference in Dushanbe on Tuesday [14 February].

The conference was attended by government ministers, heads of other governmental bodies and leaders of regional, city and district administrations.

First Vice-Premier Mukhammad Said Ubaydulloyev said in his report that the country's economic performance last year was unsatisfactory.

National Bank President Murodali Alimardonov said the bank issued 1 trillion 800 billion rubles to the economy, including 1 trillion to agriculture. He said that the treasury hadn't got the money back yet.

Alimardonov said that the National Bank owed the people 620 billion rubles in wages, pensions and other social security payments. Currently there were a mere 8 billion rubles in circulation instead of the planned 140 billion.

Islamic Movement Leader Comments on Chechnya, Jihad

LD1502165795 (Clandestine) Foice of Free Tajikistan in Tajik 0600 GMT 14 Feb 95

[FBIS Translated Excerpt] Professor Sayed Abdullo Nuri, leader of the Islamic Movement of Tajikistan, has returned to Afghanistan from a long trip abroad. According to our correspondent, the professor said this trip was rich in content and was of particular political and economic importance.

Professor Mirbobo Mirrahim, a well-known opposition figure who was chairman of Tajik Radio and Television of Tajikistan at the time of the government of national reconciliation, took part in Professor Nuri's first meeting with refugee mojahedin and officials of the Islamic Movement of Tajikistan, which was designated a ceremony of welcome. [passage omitted]

[Begin Nuri recording] In the wake of our movement came the movement in Chechnya. Today we cannot [word indistinct] or say that the Muslim people of Chechnya have been defeated or that they have failed. This is no defeat; it is the light of jihad and struggle. These people have our enemy, our colonialist, by the throat. In the near future, we will see that this phenomenon will arise in Dagestan and then come to the Ingush. This movement will continue in the whole of the area.

God willing, we will not stand alone in this struggle any more. What they have begun there today is the continuation of our and of your movement. [end recording]

The leader of the people then spoke about undesirable phenomena, calling them intrigues. He said:

[Begin Nuri recording] Those who pretend that they do not see the blood of these martyrs, those who are disrespectful toward these injured and disabled people, will never achieve their sinister aims. Those who, in spite of the misfortune that has befallen the Muslim people of Tajikistan, still play at intrigue and create disunion. Those who have sensual and carnal motives know that they will not achieve their aims and that they will be disgracefully swept out from our midst before they achieve a single thing.

Whether we lose or win this struggle will not be our own work; it is the work of God. We carry out our responsibilities, and we do not aspire to office. We carry out our duties without claiming some high office. The work we are doing today, running hither and thither, is being done so that our Islamic and jihad resistance can continue. In the last days of our lives, we must act in such a manner as meets with God's approval, nothing else. [end recording]

The supreme authority in the leadership once more recalled the difficulties that have been overcome and called on everyone to move forward toward the victory of justice because only unity and integrity will help us carry out the sacred assignment. [passage omitted]

Islamic Movement Leader on Tajik Situation

LD1602201995 (Clandestine) Voice of Free Tajikistan in Tajik 0600 GMT 16 Feb 95

[FBIS Translated Text] As you heard in the news, Professor Sayed Abdullo Nuri has issued an analytical statement in which he reviewed the current situation in Tajikistan and warned people about the latest measures taken by the Dushanbe regime. The first part of this statement is now brought to your attention by my colleague Salim Asozod:

[Asozod] In the name of God, here is the statement by the leader of the Islamic Movement of Tajikistan, Professor Sayed Abdullo Nuri, on the political settlement of the problems in Tajikistan.

Dear compatriots, the oppressed and much-suffering people of Tajikistan:

For the last two years the people of Tajikistan, both within the country and abroad, have had to face hundreds of tragedies. There are more than one million Tajiks living outside the country under abject and degrading conditions. Tajiks have been killed, rendered homeless, and turned into beggars in need of a crust of bread.

Tajiks have been scattered in various places and seeds of hostility have been sown among them. They have been scattered in order to take away their freedom and destroy their efforts for restitution.

Tajikistan has been ruined. Science, culture, the economy, politics and order have gone with the wind. The land of the Tajiks does not now have a head or leader. It does not have a law ordained by the people. Any outsider may (?interfere) in it, write its destiny and provide guidance. Tajikistan is today (words indistinct) and without future.

More than 800,000 of them within the CIS, and over 100,000 more outside the country, are deprived of training, education and ethics, and are in danger of spiritual devastation. [Words indistinct] is a sin that such tragic events against Tajiks have repeatedly happened and have condemned them to destruction and dispersal all over the world.

Unfortunately, this time this shameful act was committed by the hand of the Tajiks themselves, although it was planned by others. The opposition forces were forced to take up arms to defend their lives, property, wives and children, and honor. After going into exile, in order to save the nation from annihilation they did not lay down their arms.

Yet the aim has not been and is not war or bloodshed. The aim is only to claim rights, beneficence and security in the homeland. This entire struggle has resulted in the fact that the world and the [word indistinct] of Dushanbe consider the opposition as the representative of the nation and negotiate with them.

The opposition has and always will support a free, [?tranquil] and independent Tajikistan; a Tajikistan in which the rights of all nations are respected and the religious and national wishes of the people are fulfilled.

The cease-fire declaration and its extension by the opposition indicates that we support tranquillity and security for Tajikistan. It has come to a point where the opposition has declared the presidential elections void, since more than 30 percent of the people were living abroad and did not have the facilities to participate in the elections.

Inside the country there was no security either. Fraudulent laws and a fraudulent president could not remedy any of the ills of the people of Tajikistan and its future, because as our people so rightly say: an uneven load will never reach its destination. The reverse: It adds to the problems and increases the discord.

It is clear to all that as a result of the civil wars many criminal elements have been armed and these groups have disrupted security in society. They do not allow any government to work and operate (?according to the law). Local and national [word indistinct] have reached a peak.

The holding of the elections revealed and intensified this situation.

Russia and Uzbekistan pursue their own interests in events in Tajikistan. For instance, these governments supported [presidential contender Abdumalik] Abdullojonov up until the final days preceding the election. As soon as they realized that their interests were threatened they moved toward Rakhmanov.

Their support for Rakhmanov had two reasons: Russia was frightened that Rakhmanov and the opposition would unite and would fight against Abdullojonov and his Russian and Uzbek supporters. The other reason was that Russia and its supporters are terrified of Islam and free democracy. They needed a person able to stand in the way of this trend; this was Rakhmanov, not Abdullojonov.

In short, in every case they look after their own interests and work, and not the general interest of the people of Tajikistan. That is why their solutions are no good and will not solve the country's problems. The economic crisis has had a profound effect on the process of political, economic and cultural developments in Tajikistan.

Increasing debts, the dependency of the big factories, the inadequacy of the [word indistinct] of the toilers and workers, and the lack of a national currency have destroyed the country's economic capacity. The people's dissatisfaction adds to the burden. God granted sovereignty to the country which wrote its own destiny. A country whose farmers sow for others has no future. [Last two sentences taken from poem]

People are enveloped in a climate of pessimism and hopelessness. Farmers and workers alike have no hope for the future. Everyone has a complaint inside in their heart but none can utter it. Everyone voted against their will, and there is no affinity between them and the constitution, between them and the president. This causes a group of people not to work in the righteous manner. Another group of people are leaving the country in order to (?earn a living).

A general return of refugees will destabilize Rakhmanov's regime, since it is not prepared for providing security for a million refugees. Their acceptance [into the country] will bring about political and economic unrest.

The ethnic problem cannot be ignored. It is known that about one million of the various Uzbek-speaking groups live in Tajikistan. They, too, are residents of this country and have every right to every aspect of life. And we are friends and brothers with them.

But it is a pity that [Uzbek President] Mr. Karimov, in his desire to attain his own goals, is ignoring their rights. To consolidate his own regime in Uzbekistan, he supported Rakhmanov's candidacy. In short they are also one of the main causes of the Tajik government's instability. Their rights must be protected and their (?national character) must be safeguarded. The rights of the Russian residents of Tajikistan should never be forgotten, since they are one of the ethnic minorities of Tajikistan and have the right to live there.

Aga Khan Fund To Assist All Tajiks

LD1602172795 Dushanbe Radio Tajikistan Network in Russian 1000 GMT 16 Feb 95

[FBIS Translated Text] It would have been impossible for the Aga Khan IV Fund to assist Gornyy Badakhshan without the support and cooperation that influential international organizations and authoritative states have given the government of Tajikistan, (Hakim Farista), the chairman of the Aga Khan Fund in Tajikistan, stressed at a news conference organized and held in Khorog on the initiative of journalists. Mr. (Farista) spoke in detail about the prospects for activity by the Aga Khan Fund in rendering the assistance the people of Tajikistan need.

To this end, the chairman said, the foodstuffs and other aid channelled through the imam's fund will be given to all residents of the republic, regardless of creed, ethnic origin, or position in society.

The fund's representative spoke about the development program for the Pamirs [Badakhshan] that it adopted in Geneva, and the specific ways and terms under which it will be implemented.

Turkmenistan

Niyazov Agrees to U.S. Power Station Project

LD1702114195 Ashgabat TURKMEN PRESS in Russian 1435 GMT 16 Feb 95

[Unattributed report: "General Electric Reconstructing Byuzmeyin State Regional Power Station, GRES"]

[FBIS Translated Text] Ashgabat, 16 Feb (TURKMEN PRESS)—President Saparmurad Turkmenbashy [Niyazov] of Turkmenistan today received representatives from the American company General Electric. This company plans to participate in work to develop the country's energy-producing capacities.

Saparmurad Turkmenbashy approved the draft project for reconstruction of the Byuzmeyin GRES, which General Electric had produced. He commented that implementation of this project would play a decisive role in increasing the effectiveness of Turkmenistan's energy system and provide consumers with a reliable electricity supply.

Saparmurad Turkmenbashy instructed the Power and Industry Ministry to conclude an agreement with the General Electric Company on installing a gas turbine and reconstructing Byuzmeyin GRES.

President Calls For Structural Economic Reform

LD1502205495 Moscow INTERFAX in English 1854 GMT 15 Feb 95

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovskiy, edited by Vladimir Shishlin]

[FBIS Transcribed Text] Turkmen President Saparmurad Niyazov has pointed to the need for structural economic reform.

Addressing the full body of the national cabinet, meeting to sum up the results of 1994, Niyazov pointed to "certain achievements" but deplored the state of affairs in farming, the oil and gas industry, banking and finances, as well as the poor performance of the law enforcement bodies. Their executives were "incapable of learning new tricks," he said.

Niyazov appointed Aman Esenov, 47, his new oil and gas minister. Esenov used to serve as Turkmenistan's deputy oil and gas minister.

The former construction and architecture minister Nury Orazmuhamedov, 46, became the Mayor of Ashgabat.

Niyazov decided to write off the debts that the government-controlled enterprises ran as of February 1, 1995.

He moved to restructure the national food and farming ministry. From now on the ministry is to integrate a food industry, a cotton ginning, and a farm produce association and the ministry of bread products is to be no more.

Foreign Ministry Attacks Newspaper Article

LD1602190795 Moscow INTERFAX in English 1717 GMT 16 Feb 95

[From the "Presidential Bulletin" feature: by Nikolay Zherebtsov, Andrey Petrovskiy, edited by Vladimir Shishlin]

[FBIS Transcribed Text] The Turkmen Foreign Ministry has appealed to the Supreme Court of the Russian Federation to defend honor and dignity of the Turkmen president and the state of Turkmenistan.

The press attache of the Turkmen embassy in Moscow, First Secretary Kamil Kalandarov told Interfax that the cause for the appeal was the article "Presidential Autocracy" by Oleg Moroz published by the Russian newspaper Literaturnaya Gazeta. The author of the article harshly criticized today's reality in Turkmenistan and the personality of its leader.

In an official statement of the embassy's press office, the article was described as evidence of intensified activities by supporters of "centrifugal tendencies" seeking "to provoke an anti-Russian wave in the CIS states by any means."

"Turkmenistan's political stability and the country's obvious prospects irritate Moroz-like" journalists who "still treat us as a republic of the Soviet Union," the statement said.

Kalandarov was especially outraged at the unfounded, as he put it, statement that "1200 people are missing, while 126 people were executed by a firing squad last year in Turkmenistan." Such insinuations, as well as alleging that the ruling regime uses mental clinics to suppress dissidence, represent an attempt to "grossly manipulate the public opinion," the press office said.

According to Kalandarov, there is a lack of logic in Literaturnaya Gazeta's actions. He referred to the recent interview Turkmen President Saparmurad Niyazov gave to the newspaper's deputy editor-in-chief, who "sincerely admired Turkmenistan's achievements and cited it as an example to other republics." "There is an impression that they either do not read their own product, or the newspaper leadership printed the interview with the Turkmen president in a selfish hope to improve the edition's bankrupt financial situation at the republic's expense," the press office said in its statement.

At the same time, the press office hoped that "the board of editors of the then popular newspaper does not share the position of its author."

The document stipulated: "Turkmenistan is an open state. We do not conceal our achievements, nor our faults. Of course, there are mistakes, there still are unsolved issues. We calmly accept constructive criticisms, but we will not stand deliberate attempts to discredit us and represent what they wish as what really is. This is why the Turkmen public regarded the article in Literaturnaya Gazeta as a political provocation."

Kalandarov recalled that Turkmenistan was the only state to sign a treaty on dual citizenship with Russia and a country where "the Russian-speaking population is treated with due respect." "Whatever efforts Mr. Moroz and the like make, they will not be able to deteriorate the relations between our two peoples," Kalandarov is convinced.

Uzbekistan

Uzbek, South Korean Leaders Sign Cooperation Accord

LD1602194795 Tashkent Uzbekistan Television Network in Uzbek 1530 GMT 16 Feb 95

[FBIS Translated Text] Our president's visit to South Korea began with a very positive event. This morning a ceremony was held in Seoul at which Islam Karimov was given Korea's supreme award, the great order of (Mu Gun Hva). President Kim Yong-sam of the Republic of Korea ceremonially conferred the medal on Islam Karimov. Our president was deemed worthy of this highest award because of his great contribution to the development of mutual friendship and multilateral ties of cooperation between the people of Uzbekistan and Korea. This is another confirmation that the international prestige of our independent country and its leader are continuing to increase.

After the award ceremony the two heads of state held a summit. They discussed further development of the economic, political, cultural, and other spheres of mutual cooperation between Uzbekistan and Korea. The presidents said that the talks were very substantive and useful.

As confirmation of this, the two countries signed seven documents today. The presidents signed a joint declaration on strengthening mutual cooperation between the Republic of Uzbekistan and the Republic of Korea.

The foreign ministers of the two countries, Abdulaziz Komilov and Kong No-Myong, signed a memorandum on mutual cooperation in the spheres of agriculture, telecommunications and radio broadcasting, education, and tourism between the governments of Uzbekistan and Korea. The foreign policy chiefs of the Republic of Uzbekistan and Korea signed a scientific-technical program of cooperation between the two Ministries of Foreign Affairs.

A memorandum on mutual cooperation was signed by the National Bank for Foreign Economic Activity of the Republic of Uzbekistan and the (Ikchzhein) Bank of Korea.

We regard the Republic of Korea as a reliable and long-term partner, Islam Karimov said. We should organize mutually advantageous economic cooperation with this country on a broader basis.

I will take every opportunity to further expand the ties of mutual cooperation between our countries, President Kim Yong-sam of the Republic of Korea said.

Islam Karimov had a meeting with Hong Chae-yong, the deputy prime minister and finance and economy minister.

Our president went to the national cemetery in Seoul and paid respect to the memory of those who had given their lives for the freedom and liberty of the country.

In the evening President Kim Yong-sam of the Republic of Korea gave a large reception in honor of Islam Karimov.

The state visit of President Islam Karimov of the Republic of Uzbekistan to the Republic of Korea continues.

Government Holds Foreign Investment Seminar

LD1602145795 Tashkent NARODNOYE SLOVO in Russian 14 Feb 95 p 1

[FBIS Translated Text] A seminar conference on attracting foreign investments to the country's economy has been held at the Cabinet of Ministers of the Republic of Uzbekistan. Z. Abdullayev, head of a department at the Cabinet of Ministers, opened the seminar. Zh. Zhegatesan [name as published], a representative from the Malaysian investment and development development, the heads of the corresponding ministries and departments in our country, as well as representatives of foreign companies operating in Uzbekistan, took part in the meeting.

The attraction of foreign investments and introduction of advanced technology are key factors in developing the republic's economy and also in implementing market reforms. Favorable conditions have been created for foreign enterprises to operate in Uzbekistan. Foreign businessmen are increasingly attracted by our country's geographical position, its wealth of raw materials, and the availability of manpower.

Zh. Zhegatesan stressed that the aim of his visit to Uzbekistan was to study, in conjunction with the United Nations, the problems of attracting foreign investments to our republic.

Government Resolution on Business Rules

LD1602184395 Tashkent NARODNOYE SLOVO in Russian 15 Feb 95 p 1

["Regulations on private enterprise in the Republic of Uzbekistan—appendix to Cabinet of Ministers resolution"]

[FBIS Translated Text]

(I) General Regulations

1. Private enterprise means initiated economic activity by natural persons (or person) within the framework of current legislation with the aim of earning personal income through profits, carried out at their own risk and with the responsibility for property resting with them.

A private entrepreneur whose activities include hiring labor becomes a legal person and is obliged to register the venture according to established procedure.

A private entrepreneur who does not use hired labor (individual enterprise) has the right to carry out his activity without becoming a legal person.

2. The property of a private entrepreneur is acquired through the transfer or acquisition of all or part of the property of a state, cooperative, or other enterprise to the possession of a citizen, the purchase of leased property, or acquisition by other means stipulated by law.

3. An enterprise based on private ownership by entrepreneurs is a private enterprise, and functions in accordance with the Constitution of the Republic of Uzbekistan, the Law on Enterprise in the Republic of Uzbekistan, the Law on Enterprises in the Republic of Uzbekistan, the Law on Ownership in the Republic of Uzbekistan, other legislative acts of the Republic of Uzbekistan, and this regulation.

4. The legal, economic and social bases for the creation, operation, and liquidation of private enterprise in the Republic of Karakalpakistan are also regulated by the legislation of the Republic of Karakalpakistan as well.

(II) Creation and Registration Procedure of a Private Enterprise

5. Private enterprises are legal persons and possess an independent balance sheet, seal, and current account.

6. A private enterprise gains the rights of a legal person from the date it registers with the state at the district, town, or urban district administration where it is located.

An entrepreneur who wishes to operate without becoming a legal person must submit an application to the district, town, or urban district administration where he is resident. This application is considered in accordance with the law of the Republic of Uzbekistan on the Registration Fee for Natural Persons Engaged in Enterprise and the Registration Procedure for them.

7. Private enterprises can set up branches, affiliated enterprises, and representative offices.

8. Registration of a private enterprise with the state is carried out in accordance with the regulations on the procedure for state registration of enterprises located on the territory of the Republic of Uzbekistan.

On registering with the state at district, town, or urban district administration the entrepreneur must furnish an application, the enterprise's statute, and a receipt to show payment of a fee equivalent to one minimum wage.

9. Registration of a private enterprise, or refusal to register it (complete with reasons), is to be completed within three days of the time the application is submitted. If registration with the state is not carried out within the specified time, or is turned down for reasons that the entrepreneur considers to be unjustified, he may take the matter to court.

10. A private entrepreneur who wishes to function without becoming a legal person is issued with a bound and sealed accounts book and a registration certificate, and must be entered on the list of private entrepreneurs.

These documents form the basis for opening a current bank account and preparing the necessary banking details, with no further consent needed.

(III) Property and Private Enterprise Activity

11. A private enterprise's property consists of fixed and circulating capital, as well as other valuables, the value of which is reflected in the enterprises's own balance sheet.

12. The owner of a private enterprise has the right to perform any operation involving his property that is not contrary to the legislation of the Republic of Uzbekistan.

13. A private enterprise is responsible for those obligations attached to its property that are the obligations of the rightful owner of the property.

14. The owner of a private enterprise is independent in terms of production, commerce, and the law. The owner organizes management of the private enterprise.

15. A private enterprise sells its products (or work or services) and by-products at prices and tariffs established independently or on a contractual basis.

16. The income from product sales that is left over once all production costs and other obligatory payments (including remuneration of labor, lease payments, debt repayments, loan interest payments) have been met constitutes the income of the owner, which he can use at his discretion.

17. The business income of private entrepreneurs operating on the basis of private ownership is viewed as personal income and is taxed in accordance with current legislation.

18. A private entrepreneur has the right to open a current account and other accounts in any bank to hold funds and effect all kinds of payment, credit, or cash transactions.

19. The products of the private enterprise have to be stamped with the trademark or surname of the manufacturer, the title or symbol of the product, and other descriptive product information.

20. A private enterprise keeps statistical records and accounts according to the established formats. The owner of a private enterprise is responsible for the veracity of account reports according to the procedure established in legislation.

21. Checks on the financial and economic operations of private enterprises are conducted by the taxation organizations invested with these functions by legislative acts of the Republic of Uzbekistan, and also by auditing firms.

In checking the financial and economic operations of a private enterprise the inspecting organizations observe security and confidentiality with regard to information that represents the enterprise's commercial secrets, in conformity with the legislation of the Republic of Uzbekistan.

(IV) Procedure for Employing and Remunerating Labor at Private Enterprises

22. Private enterprises employ workers on labor contracts in written form indicating the rights and obligations of the parties.

23. A labor contract contains the following information:

—Obligations to fulfill work in a given specialist capacity, qualification, or post;

—The term for which the contract has been concluded;

—The terms and remuneration of labor, and the procedures for social and medical insurance and social security;

—Social protection for the employee;

–Responsibility for breaching the labor contract;

—Other information, as agreed by the parties.

24. A private enterprise is obliged to observe the requirements of labor legislation of the Republic of Uzbekistan, to establish work regulations for itself, and to ensure the observance of safety, sanitary, and hygiene demands in the work place.

25. The employees of private enterprises are given a service record book according to established procedure.

26. Remuneration of the labor of people employed under contract cannot be less than the minimum rate established by the state.

27. A private entrepreneur is obliged to make payments to the social insurance, medical insurance, and social security funds in accordance with the legislation of the Republic of Uzbekistan.

28. Labor disputes at private enterprises are resolved in accordance with the legislation of the Republic of Uzbekistan.

(IV) Liquidation of a Private Enterprise

29. Liquidation of a private enterprise takes place by decision of the property owner, or by the decision of a court (or economic court) in cases where the court deems the founders' documentation on setting up the enterprise invalid, in cases of bankruptcy, and in cases of activity that runs counter to the legislation of the Republic of Uzbekistan.

30. A private enterprise is regarded as having been liquidated from the moment it is removed from the state registration list.

31. Those funds that are left over after debts to the budget and to organizations and the liquidated enterprise's employees have been paid according to established procedure belong to the enterprise owner.

(IV) State Guarantees for Private Entrepreneurship

32. The state guarantees observance of the private entrepreneur's rights and legal interests, creates the conditions for free and honest competition, and provides equal opportunities for access to material, financial, labor, information, and other resources without allowing monopolization of the markets in these resources.

33. If an act passed by a state or other organization that falls outside its competence, or which does not meet the requirements of legislation, results in the rights of a private entrepreneur being infringed, he has the right to go to court with an application to have the act deemed invalid.

34. The losses that a private entrepreneur incurs as a result of implementation of instructions that were issued by state or other organizations, or officials from those organizations, and which infringe the rights of the private entrepreneur, are subject to compensation by these organizations, including any advantage that has been lost. Disputes over compensation for losses are resolved in court.

Armenia

Turkey Said Aiming To Hinder Genocide Commemoration

NC1602222195 Yerevan Radio Yerevan International Service in Armenian 2130 GMT 16 Feb 95

[FBIS Translated Text] Turkey has launched a domestic propaganda campaign in an effort to prepare the Turkish people for the normalization of relations with Armenia. Armenian Presidential Press Secretary Levon Zurabyan noted that this campaign is connected with the fact that the 80th anniversary of the Armenian genocide is to be commemorated this year and Turkey is trying to soften Armenia's stance on the Armenian question, fearing that it might generate major international repercussions. According to Mr. Zurabyan the Turkish press' excessive worry over this matter is, however, producing the opposite effect.

Expansion of Cooperation With Iran Discussed

NC1602195295 Yerevan SNARK in English 1603 GMT 16 Feb 95

[FBIS Transcribed Text] Yerevan, February 16 (SNARK)—Prime Minister Hrand Bagratyan received today the Extraordinary and Plenipotentiary Ambassador of Iran to Armenia, Hamid Reza Miqar Esfahani. Issues connected with signing of documents during the upcoming official visit of the Head of Armenian Government in Iran were discussed during the meeting.

Particularly, the new Armenian-Iranian trade and economic agreement was discussed. Also the documents on capital investment, taxation, and collaboration in the fields of science and education were considered.

Parties have shown interest to expansion and strengthening of relations in the field of transport. Organization of a new air route and increase of cargo transportation is planed.

Meeting With Nakhichevanis on Border Security

NC1602152195 Yerevan Armenia's Radio First Program Network in Armenian 1300 GMT 16 Feb 95

[FBIS Translated Text] An Armenian-Azerbaijani meeting took place at the Yeraskh border post yesterday. The delegations were headed by Lieutenant Colonel Gegham Harutyunyan, chief border commissar of the Armenian Republic, and [name indistinct], deputy chairman of the Nakhichevan Mejlis.

The Defense Ministry reported that this, the first meeting of the year was devoted to assessing the situation prevailing on the Armenia-Nakhichevan border. While expressing satisfaction at the general peace being maintained on the border, the sides also envisaged measures to consolidate peace and deepen the atmosphere of mutual trust.

Communist Party's Badalyan on Future of Russian Communists

NC1602193895 Yerevan NOYAN TAPAN in English 1639 GMT 16 Feb 95

[FBIS Transcribed Text] 16/02/95 NOYAN TAPAN—"In statements made during the Congress of the Russian Communist Party, the historic role and mission of the Russian communists in salvation of Russia from the threat of 'complete collapse and civil war' were given quite a new evaluation", the First Secretary of the Communist Party of Armenia Sergey Badalyan, who headed the delegation of Armenian Communists at the II Congress of the Russian Communist Party, said. According to him, the rating of Communists in Russia steadily increases and the fact is testified to by wide response of the West to the Congress of Communists, in which 400 delegates, including intellectuals, participated.

The Congress, which was attended by the representatives of Communist and Left-wing Socialist parties from 48 countries, re-elected Gennadiy Zuganov the First Secretary of the Communist Party of Russian Federation.

The First Secretary of the Communist Party of Armenia stressed that, according to some politicians, revival of the Communist Party of Russia, is not only the result of new social, political and class approaches, but also the evidence that today many people see Communists as the only power capable of reviving the Russian statehood.

Journalists of Banned Papers Stage Sit-Down Strike

NC1602190295 Yerevan NOYAN TAPAN in English 1609 GMT 16 Feb 95

[FBIS Transcribed Text] 16/02/95 NOYAN TAPAN—Today some 100 journalists, who until recently have worked for the newspapers of ARF [Armenian Revolutionary Front]-Dashnaktsutyun Party, the activities of which was banned by the presidential decree and later on by the Armenian Supreme Court, staged a demonstration. Currently unemployed journalists do not represent only party press. Demonstrators, after gathering in the downtown of Yerevan, near "Moskva" Cinema, marched to the building of the Armenian Prosecutor's Office and Supreme Court calling for justice and lawfulness. At 14:00 pm (local time) journalists went on a sit-down strike near the Presidential Palace, demanding return of seized property and opening of illegally banned newspapers.

Azerbaijan

Aliyev Meets U.S.-Canadian Gold Mining Executives

NC1602184295 Baku TURAN in English 2158 GMT 15 Feb 95

[FBIS Transcribed Text] Baku, February 15 (TURAN)—Today Geydar Aliyev met with the Head of the American-Canadian concern "International Gold Resources"

Montague Hackett and the co-chairman of the concern for the Central Asia John Spearn.

According to Mr. Spearn there is an opinion in the West that Azerbaijan is one of the profitable places for the investments. "After the oil contract this opinion became more strong," said he. Then Mr. Spearn noted that for the first time he visited Baku in 1994 when the specialist of the concern had finished the expert trip in Azerbaijan and contacted with the State concern "Azerigizil." After that a report on the golden resources of Azerbaijan was prepared. "Now we came here for the purpose of setting up a joint venture and we want to offer you our services for the development of the golden deposits of Azerbaijan," said Mr. Spearn. He noted that programme of works in Azerbaijan was submitted to the European Bank for Reconstruction and Development which promised to be the partner of the Americans for the implementation of the draft. "I would be glad to hear the opinion of the Western businessmen about Azerbaijan and I support your initiative. I think that in case of the development of new golden resources our co-operation will develop successfuly," said Geydar Aliyev. He noted that the deposits are very rich and there are good opportunities for the co-operation. After that Aliyev expressed his wish to learn the details of the proposals of the American businessmen. Then the talk was held behind the closed door.

Acting Prime Minister Fuad Guliyev, the president of the concern "Azerigizil" Mirhamid Mamedov and the President of the American-Azeri business centre [remainder of item not received]

Oil Pipeline Routing Through Armenia Depends on Peace

NC1602191495 Baku TURAN in English 2016 GMT 15 Feb 95

[FBIS Transcribed Text] Baku, February 15 (TURAN)—"Presently one cannot speak about laying of the oil pipeline through the territory of Armenia", the State advisor for foreign affaires, Vafa Guluzade, told TURAN.

As was reported, the Western consortium considers several variants of the route of the export oil pipeline from Baku to the terminal in Mediterranean Sea. Due to the geopolitical situation, the West prefers the route in transit through the territory of Armenia.

The State Advisor Guluzade says that one can speak about the possibility of consideration of such project only after settlement of the Armenian-Azerbaijani conflict.

Guluzade mentioned that for realization of such projects, the cooperation in all spheres must be established between Armenia and Azerbaijan. "Besides, to the project concerning the export oil pipeline Armenia can be attracted in case if it is an independent state. Now it is too early to speak about that", Guluzade mentioned.

Black Market Accounts for 77 Percent of Retail Trade

NC1602192295 Baku TURAN in English 2107 GMT 15 Feb 95

["77 Percent of Retail Trade Turnover Fall on Black Markets"—TURAN headline]

[FBIS Transcribed Text] Baku, February 15 (TURAN)—In January 1995 compared with January 1994 retail trade turnover in the country decreased by 23.4 percent and totalled 224.5 billion manats, the State Committee for Statistics told TURAN.

52.2 billion manats fall on organised trade (decreased by 33.5 percent) and 172.3 billion manats (- 22.3 percent) fall on the black market.

Elchibey Said Planning Return to Baku

954F1365A Yerevan VREMYA in Russian 11 Feb 95 p 1

[Unattributed report: "Elchibey Returns"]

[FBIS Translated Text] Azerbaijan ex-president Abdulfaz Elchibey intends to leave his place of refuge in the Nakhichevan village of Keleki and return to Baku in the next few days. A recently distributed declaration of the People's Front of Azerbaijan [NFA] states that this decision of Abdulfaz Elchibey was dictated by his desire to once again resume energetic political activity.

NFA Deputy Chairman Ali Kerimov asserted, however, that it was not a matter of the Azerbaijan Republic ex-president's return, but rather one of continuation of his political activity in Baku. Confirming reports of Elchibey's possible return to the Azeri capital, Ali Kerimov stated that the next regular NFA Congress would convene 25 March. In Kerimov's words, the prestige of Abdulfaz Elchibey among all segments of the republic populace is presently increasing.

Security Minister: Several Deputies Were 'KGB'

NC1602142395 Baku TURAN in English 2016 GMT 15 Feb 95

[FBIS Transcribed Text] Baku (February 15) TURAN—Yesterday the report of the [acting] Deputy Minister of National Security was heard by the Parliament. He said that presently the Ministry lacks qualified personnel since for the past years the recruitment of the young employees was restricted. Due to this fact, Abbasov applied to the Parliament with the request to agree to increase the age of employees of the Ministry of National Security up to 55 years. Abbasov also mentioned that not all the employees of this age will remain in the system of the KGB. "We will choose and leave 25 per cent out of those who must be fired." Abbasov said.

Deputy Etibar Mamedov asked the reason for construction of the fences around the building of the Ministry of National Security. Abbasov answered that after the escape of four prisoners from the Ministry in September 1994 and seizure of the Prosecutor's Office in October 1994, the construction of such fences has become necessary. The works cost 150-200 million manats, Abbasov said.

Deputy Matlab Mutalimov asked Namik Abbasov why he did not inform the Parliament about the Deputies cooperating with the KGB? Abbasov responded that he does not disclaim the cooperation of several members of the Parliament with KGB before they had been elected Deputies. "However, I cannot call their names since it is the state secret," Namik Abbasov said. After they were elected the Deputies the conta [item received incomplete]

Georgia

Georgian-Abkhaz Settlement Talks to Begin in Moscow

LD1502134295 Moscow INTERFAX in English 1150 GMT 15 Feb 95

[FBIS Transcribed Text] Moscow, Feb 15 (Interfax)—Negotiations on settlement of the Georgian-Abkhazian conflict are to be started on Wednesday [15 February] in Moscow in Russia's Foreign Ministry under Russia's mediation with participation of representatives from the UN and OSCE [Organization for Security and Cooperation in Europe], the press service of Abkhazia's Moscow mission told Interfax.

The decision to continue the talks in the Russian capital was adopted at the Georgian-Abkhazian meeting in Geneva February 7-9.

Private envoy of the republic's president Anri Dzhergenia and Abkhazia's plenipotentiary representative in the Russian Federation Igor Akhba represent the Abkhazian party in Moscow and state advisers of the republic's head Levan Aleksidze and Irakli Machavariani, Georgian Ambassador to the Russian Federation Vazha Lordkipanidze, and representative of the Georgian leader in the Russian Federation on Abkhazia Ramaz Sichinava represent Georgia.

According to the Georgian Embassy to Moscow, on Wednesday the parties will discuss the issue on Abkhazia' status.

On Thursday the parties will consider problems related to the return of Georgian refugees to Abkhazia.

A press conference on the results of the negotiations will be held in the Georgian Embassy Friday.

Shevardnadze Compares Chechnya, Abkhazia Situations

MS1702100695 London ITV Television Network in English 1900 GMT 16 Feb 95

[Interview with Eduard Shevardnadze, President of Georgia, by Jon Snow, in London 16 Feb; from the "Channel Four" newscast—recorded]

[FBIS Transcribed Text] [Snow] What are the similarities between the conflicts in Abkhazia and Chechnya?

[Shevardnadze] The events and the tragedy in Chechnya takes its root in its origin in Abkhazia, but I'm certain that in the nearest future even this conflict will come to an end, and in that territory the jurisdiction of Russia shall be reestablished. There cannot be any different solution.

[Snow] But the Chechnyan crisis was allowed to continue for a long time before Mr Yeitsin moved. Do you think he let it stand for too long?

[Shevardnadze] I've just met President Yeltsin a few days ago in Almaty, he did mention to me that this was a grave mistake on the part of the leadership of Russia, that in its own time no action has been taken in order not to allow the creation of such an enormous army, which is perfectly well armed, in one of the regions of Russia. It is true, that was an error, a mistake. It had to be rectified sooner or later. Obviously it was fearsome that there have been so many victims...frightful. But all that could be done before and differently, but for the time being the Russian leadership now simply had no other way, no other way out, no other solution.

[Snow] Could anybody outside Russia have done anything to help, I mean should we have, or the Americans, or Nato have been prepared to do anything?

[Shevardnadze] I think that Russia will be able to sort it out by itself. Well with something else, observers, or people who would be interested in all those events. But the principle solutions must be taken by the leadership, leaders of Russia and by those of Chechnya.

[Snow] Let me ask you a last question, and it's a simple one. Which is harder—to have served under Gorbachev, as his Foreign Minister amid the disintegration of the Soviet Union, or to have been the President of one of the states that emerged from the union, and became racked by civil war?

[Shevardnadze] It is more difficult to be at the head of a small state simply because there are more problems than the large Soviet Union had at the time, and the fewer reserves and resources. But now it is easier, it has become easier. The situation is getting stabilized.

Shevardandze Continues Visit to Britain, Signs Documents

LD1602221795 Moscow ITAR-TASS in English 2108 GMT 16 Feb 95

[By ITAR-TASS correspondent Nikolay Pakhomov]

[FBIS Transcribed Text] London February 16 TASS—Georgian head of state Eduard Shevardnadze, who is on an official visit to Britain, met Foreign Minister Douglas Hurd today.

ITAR-TASS was told by a Foreign Office spokesman that subjects of the talk included the situation in Georgia, a likely scenario of the Chechnya conflict and the problem of separatism.

Today ends the two-day visit of Shevardnadze. The Georgian leader met Queen Elizabeth II and Prime Minister John Major, and visited the Bank of England, Confederation of the British Industry and the European Bank for Reconstruction and Development.

Shevardnadze signed a joint friendship and cooperation declaration and agreements on investment and embassy exchange.

Britain takes the obligation to carry out a programme of assistance to fledgling market economy and democratic institutions of Georgia. The British know-how fund earmarks 1.2 million pounds for technical assistance.

Shevardnadze will travel on to Brussels early on Friday.

Shevardnadze: Former Soviet Republics Need Reintegration

LD1602185695 Moscow ITAR-TASS in English 1801 GMT 16 Feb 95

[By ITAR-TASS correspondent Igor Polskiy]

[FBIS Transcribed Text] London February 16 TASS—Reintegration of the former Soviet republics is logical, Georgian Head of State Eduard Shevardnadze, who is on an official visit here, said in an interview with ITAR-TASS today.

If the republics want a real progress and economic recovery, they should establish new relations, Shevardnadze said, adding that the CIS states have no other alternatives.

There are obstacles on this road, but they are not insurmountable, Shevardnadze said.

Shevardnadze said in a speech to the Confederation of the British Industry today that all potentials of the CIS's internal markets should be recruited without denting cooperation with other states. Georgia now has "good, reliable" relations with Russia and other CIS states, Shevardnadze said.

As for Georgia's situation, Shevardnadze said his country entered a stabilisation phase. He said the privatisation was in progress, joint ventures were set up, prices fully liberalised, and crime was fought more effectively.

Shevardnadze named projects, such as fuel transportation, which might attract British investment in Georgia.

Moscow Envoy Views Relations With Russia

LD1602221395 Moscow INTERFAX in English 1853 GMT 16 Feb 95

[FBIS Transcribed Text] MOSCOW, Feb 16 (Interfax)—Georgian Ambassador to Russia Vazha Lordkipanidze told a news conference in Moscow today that Russia and Georgia had common strategic interests, the main one of which was to achieve stability in the Caucasus.

He said that taking into consideration the problem, Georgia was paying special attention to relations with Russia.

Lordkipanidze said that Russian assistance to Georgia developing its energy system was one of the key aspects of Russian-Georgian cooperation for Tbilisi. He said Georgian energy systems could be jointly cooperatized by Russia and Georgia for resolving the energy problem in Georgia.

The ambassador stressed that the Communist regime would not be restored in Georgia despite the hardest economic crisis. He said the people were hoping that the reforms would bring to the society stability and constructive changes. He said the majority of the Georgian population believed Georgian leader Eduard Shevardnadze to be the only guarantor for such positive changes.

Commenting on the Abkhaz conflict, Lordkipanidze quoted Shevardnadze as saying that the key to settlement of the conflict was in Moscow.

Lordkipanidze said that Georgian former defense minister Georgiy Karkarishvili, on whose life there had been an assassination attempt in Moscow on January 25, had been brought from the Moscow Sklifasovskiy Ambulance Institute to Germany for further medical treatment.

Abkhaz Supreme Council Chairman on Geneva Talks

LD1702111795 Tbilisi IPRINDA in Russian 1025 GMT 17 Feb 95

[FBIS Translated Text] Tbilisi (IPRINDA)—Chairman of the Tbilisi-based Abkhaz Council of Ministers Zurab Erkvania on 17 February held a news conference. He briefed journalists on Geneva talks held on 9-10 February, and on the continuation of talks in Moscow. During the talks the Abkhaz side treated many issues with understanding and took a constructive stance to them, in particular, to Abkhazia's political status and the return of refugees to their homes. The United Nations and the CSCE participated in the talks. The two sides reached understanding over setting up a single executive legislative body. They also discussed the possibility of further discussions on the above issue at the talks in Moscow and Sochi.

Deputy Premier, Turkish Envoy Discuss Oil Pipeline Route

LD1602192895 Tbilisi CONTACT INFORMATION AGENCY in Russian 1450 GMT 16 Feb 95

[FBIS Translated Text] Tbilisi—Georgian Deputy Prime Minister Zurab Kervalishvili today received Tevfik Okyayuz, the ambassador extraordinary and plenipotentiary of the Republic of Turkey to Georgia, and representatives of the "Botash" planning company. They discussed construction of the Baku-Jeyani oil pipeline. It was noted at the meeting that there were three projects for the route of the oil pipeline, and that putting it across Georgian territory will be profitable for both Georgia and Turkey. Mr. Kervalishvili assured the guests of his support in constructing the oil pipeline.

Estonia

Tarand Upbeat on Results of Visit to Kiev

LD1602132095 Moscow ITAR-TASS in English 1202 GMT 16 Feb 95

[By ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[FBIS Transcribed Text] Kiev February 16 TASS—"In the course of my official visit to Kiev we managed to bring Estonia and Ukraine closer together in issues related to development of mutually beneficial economic cooperation," Estonian Premier Andres Tarand told a news conference on the final day of his stay in Kiev. He left Kiev for Tallinn on Thursday.

Tarand and his Ukrainian counterpart Vitaliy Masol signed several intergovernmental agreements in Kiev, including a treaty on legal aid and legal relations in civil and criminal cases, and agreements on stimulation and mutual protection of investments and on cooperation in the field of railway transport.

According to Tarand, these agreements will give a new impetus to development of trade relations between Ukraine and Estonia.

Another important point is that Ukraine and Estonia are going to sign a treaty on free trade between the two countries this April.

Trade turnover between Ukraine and Estonia increased perceptibly of late. In 1994, it amounted to 48.3 mln usd (15.5 mln usd in terms of Estonian exports, plus 32.8 mln usd in terms of Estonian imports).

During the visit, Tarand met with Ukrainian Parliament Speaker Oleksandr Moroz, Premier Vitaliy Masol, Foreign Minister Hennadiy Udovenko and other government officials.

Free Trade Agreement Called 'Radical'

WS1702102095 Tallinn ETA in English 1831 GMT 16 Feb 95

[FBIS Transcribed Text] Prime Minister Andres Tarand returned from Kiev on Thursday [16 February] after having concluded an agreement on protection of mutual investments, on legal aid and on railway transport.

The agreement on investment protects investors of both countries, the agreement on legal aid includes family relations like marriages and divorces, but also crime. The agreement on railway transport will soon be supplemented with an agreement on using seaports.

It was also agreed that the agreement on mutual free trade is to be initialed in March, said Minister of Economy Toivo Jurgenson on his arrival on Thursday at a press conference. He added that the agreement on free trade was much more radical than similar ones with Latvia, Lithuania or European Union.

Luik Pledges Support for Kiev's CE Membership

WS1702103295 Tallinn ETA in English 1950 GMT 16 Feb 95

[FBIS Transcribed Text] Cooperation in international structures and relations between Estonia and Ukraine were discussed at the meeting with Ukrainian Foreign Minister, said Estonian Foreign Minister Juri Luik on Thursday on his arrival from Ukraine.

"We will support Ukraine in her application for full membership in the Council of Europe [CE]," said Juri Luik. The relations between Ukraine and the European Union and NATO were discussed at the meeting. Possibilities for mutual action in foreign policy between Estonia and Ukraine were considered.

Jurgenson Comments on Visit

WS1702103895 Tallinn BNS in English 1643 GMT 16 Feb 95

[FBIS Transcribed Text] Tallinn, Feb 16, BNS—Estonia and Ukraine are expecting to sign a free trade treaty in March, Estonian Economics Minister Toivo Jurgenson told reporters upon arrival from the Ukrainian capital, Kiev, on Thursday [16 February].

He said there were only some minor changes that still needed to be made in the draft of the document.

The treaty to be signed with Ukraine will be considerably more radical than similar documents signed by Estonia with Latvia, Lithuania, or the European Union, for instance, the minister added. Signing a free trade treaty with a country of the size of Ukraine is important for Estonia both politically and economically, he added.

Jurgenson was in Kiev as part of Estonian Prime Minister Andres Tarand's delegation, which also included Foreign Minister Juri Luik, Reform Minister Liia Hanni, and a small group of business leaders.

Tarand and his Ukrainian counterpart, Vitaliy Masol, signed accords covering mutual protection of investments, legal assistance, and railway transport between the two countries.

It was also the first ever visit by a prime minister of Estonia to Ukraine.

Luik Comments on Aim of Pro-Chechen Resolution

LD1602170395 Moscow INTERFAX in English 1552 GMT 16 Feb 95

[From the "Diplomatic Panorama" feature: Reports by our diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov and others]

[FBIS Transcribed Text] KIEV, Feb 16 (Interfax-Ukraine)—Estonian Foreign Minister Juri Luik told Interfax-Ukraine in Kiev the purpose of a pro—Chechen resolution passed by the Estonian parliament on February 13 was to give "moral support" to the Chechen people. Luik is in the Ukrainian capital with a delegation led by Prime Minister Andres Tarand.

According to him, the tone of the resolution was "fairly reserved and diplomatic." As for a proposal it made for recognizing the breakaway Russian republic, that was advised to be done "if the international situation allows it," the minister said.

The Estonian parliament's position has nothing to do with Dudayev's supposed personal contacts with Estonia, Luik continued. "Dudayev was in Estonia as a Soviet military commander and was not particularly liked," the minister said.

"Our main concern are violent and very gross violations of human rights which are happening in Chechnya before our very eyes," he said.

The Estonian parliamentary resolution prompted a tough reaction from the Russian Foreign Ministry and the State Duma. The ministry described it as interference in the internal affairs of Russia and Duma as a dangerous ingratiatory provocation..

A visit to Tallinn by a Duma delegation planned for this week was cancelled in protest against the resolution.

Tarand Denies Savisaar's Allegations About Davos Trip

WS1602142695 Tallinn BNS in English 1624 GMT 15 Feb 95

[FBIS Transcribed Text] Tallinn, Feb 15, BNS—Estonian Prime Minister Andres Tarand, in a denial of Center Party Chairman Edgar Savisaar's allegations that his recent trip to the World Economic Forum in Davos, Switzerland, cost 60,000 Swedish kronor, drew a parallel between Savisaar and Joseph Goebbels, Nazi Germany's notorious propaganda minister.

Savisaar said in a paid political ad in the EESTI SONUMID daily that the participation fee for the Davos forum was 60,000 kronor, but that Tarand's visit produced no results for Estonia.

A letter published earlier in the Tallinn-based HOMMIKULEHT daily claimed with reference to the Swedish press that the fee came to as much as 100,000 kronor.

Tarand told reporters on Tuesday he attended the annual economic meeting at the end of last month by invitation. "I had to pay only the price of the plane ticket, not 60,000 kronor," he said.

In the prime minister's words, the first advantageous outcome of his meetings in Davos is the planned opening of a European Union representation in Tallinn. "This is a direct result of my meeting with EU Secretary-General Jacques Santer," he said.

Tarand noted that he had never denied Savisaar's services to Estonia. "But, I object to his seeking to stand out through running down others," he said. "The lie (about the cost of the trip to Davos) Savisaar has repeated already three times reminds me of Goebbels who used to say that a lie repeated nine times over becomes the truth by the tenth."

Parliament Adopts 'Important' Business Laws

WS1602142795 Tallinn ETA in English 1900 GMT 15 Feb 95

[FBIS Transcribed Text] Estonian parliament adopted on Wednesday business laws which according to Justice Minister Juri Adams is an important basis to recreation of civil society and to honest business in Estonia.

The law deals with several types of businesses, private persons as entrepreneurs and application of the law. The law determines that in four years time the minimum capital to start a joint-stock company is to be 400 thousand kroons.

The law created great controversy in the parliament, it has been proceeded under several names and by several committees. As corresponding regulations are urgently needed at present, an alternative law by MP Uno Mereste was handed in to Riigikogu [parliament] proceedings.

The law will be enforced on September 1.

Further on Business Legislation

LD1602150495 Tallinn Estonian Television Network in Estonian 1900 GMT 15 Feb 95

[FBIS Translated Text] To put economic activity in order, the Riigikogu adopted a business law today. It determines the types of companies operating in Estonia, the way they are managed, and their liabilities. In the future the business register will help to identify any dishonest firms. These registers will be kept at law courts, and similarly to property registers, entries will be made for all companies operating in Estonia.

There will be four kinds of companies. Differences between them stem from the ratio of shareholder liability and the way the company is managed. In an unlimited company [taisuhing], all of its members, for example, can be held liable for the company's obligations as they all have the right to take part in the management of the company. Inasmuch as joint-stock companies [aktsiaseltsid] and share companies [osauhingud] face liability in meeting their obligations with the company's assets, the law stipulates that they must have more capital than hitherto at the time the company is set up. If previously it was possible to set up a joint-stock company with as little as 300 kroons, then now any would-be joint-stock company's capital must amount to at least 100,000 kroons. Once the law comes into force on 1 September 1995, all enterprises on the enterprise register must reregister.

Latvia

Nearly 1,000 Ex-Russian Soldiers May Be Expelled

WS1602142595 Tallinn BNS in English 1829 GMT 15 Feb 95

[FBIS Transcribed Text] Riga, Feb 15, BNS—Approximately a thousand Russian former military personnel who retired after Jan. 28, 1992 are to be classified as illegal immigrants and can be expelled from Latvia, Latvian Citizenship and Immigration Department Deputy Director (PID) Ugis Sulcs told BNS.

If the Latvian government does not extend the registration date or prepare expulsion documents, officials of the Latvian Interior Ministry will be responsible for observing the conditions of the law.

According to PID statistics, 669 former military personnel had registered by Monday evening.

The exact number of retired military is hard to state because personal data and information on their current places of residence are lacking.

The press secretary of the Russian Embassy in Latvia, Vladimir Jonkin, reported to BNS that 1,641 former military personnel who had retired after Jan. 28 1992 have remained in Latvia because of the unsolved problem with apartments.

Sulcs said that the number of military personnel residing in Latvia with improper documentation is increasing. Documents are confiscated in these cases and replaced by resident permits.

The date set by the Latvian Cabinet for former military personnel registration with PID and issuing of residence permits legalising their stay in Latvia elapsed Wednesday.

As reported earlier, retired military personnel were obliged to leave Latvia by Aug. 31, 1994 under the terms of the April 1994 Latvian-Russian agreement on the withdrawal of the Russian army from Latvia.

Industrial Production Costs, Unemployment Figures Cited

WS1602155495 Tallinn BNS in English 0958 GMT 16 Feb 95

[FBIS Transcribed Text] Riga, Feb 16, BNS—The production costs of industrial goods increased 3 percent between December 1994 and February 1995, the Latvian State Statistics Committee said.

Consumer prices increased 3.5 percent in January.

The production costs were 12.9 percent higher in January than in January 1994. Consumer prices went up 25.9 percent over the period.

Latvia circulated 231.8 lats' worth of cash at the end of January what is 0.3 million lats less than in the previous month.

The rate of unemployment was 6.7 percent of the country's economically active residents in January compared to December.

Lithuania

Brazauskas Views National Achievements, Prospects

LD1602191095 Moscow INTERFAX in English 1717 GMT 16 Feb 95

[From the "Presidential Bulletin" feature: Compiled by Nikolay Zherebtsov, Andrey Petrovskiy, edited by Vladimir Shishlin]

[FBIS Transcribed Text] Lithuania celebrates its Independence Day on February 16. A solemn meeting dedicated to the independence anniversary took place in Vilnius. President Algirdas Brazauskas spoke at the meeting.

Brazauskas said that on March 11 Lithuania would celebrate the fifth anniversary of Lithuania again becoming a free and independent state. He said Lithuania had managed to restore its independence after the decades of occupation. He said it was possible only due to the spirit of the Act of February 16 preserved in the hearts of the people.

Brazauskas said Lithuania had managed to restore its independence due to the unity of the entire nation and due to the fact that democratic countries of the world had never recognized the occupation of Lithuania.

Brazauskas said he was glad that Lithuania, Latvia and Estonia were developing integration.

He said that "our ancestors could not have imagined the scale of the international recognition of Lithuania. We are proud of participating in the UN for maintaining peace and stability, of developing contacts with the EU [European Union], our neighbors and other countries. Brazauskas said much had been done for cooperation with NATO primarily by participating in the Partnership for Peace program. He said Lithuania had actively joined various international organizations and documents.

Brazauskas said he believed that Lithuania could be moving forward to building a prosperous democratic state sought by many generations only by joint creative efforts and resolving pressing problems by talks and common accord. IF Note: President Brazauskas is now also celebrating his second anniversary in the office. About 60% of votes cast were given in favor of Brazauskas during the presidential elections in Lithuania on February 14, 1993.

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